

MARK CHRISTENSEN

## WHAT WE MIGHT KNOW (BUT AREN'T SURE) ABOUT PUBLIC-SECTOR ACCRUAL ACCOUNTING

**M**uch has been written about accrual accounting applied in a public-sector context (Carlin 2005) yet much is unknown. The gap between what we might know and what we don't know about accrual accounting is greatest when considering the managerial impact of the change from cash to accrual in the general government sector (GGS) which is not funded predominately through charges levied in some relation to the products or services it provides. In the GGS, accrual accounting has generated controversy because the application of the business accounting model of accrual accounting has proven problematic. In essence this is the main point made by Emeritus Professor Allan Barton (2007) in his critique of the Australian government's implementation of accrual accounting. However, Barton goes beyond that point and asserts that accrual accounting is superior to cash accounting in a GGS environment.

Barton does not present empirical support for the asserted superiority of accrual accounting. Thus this paper is prompted to use the prior literature to establish what has been demonstrated on an evidentiary basis about the impacts of public-sector accrual accounting (PSAA). In its overview of the relevant literature, this paper also provides a compendium of contributions from professional and official sources as well as academic sources. Its analysis of the sources of PSAA contributions reveals an intriguing contrast between the views presented by practitioners compared to the views presented by academic sources. Additionally it demonstrates that the presumed connection between accounting for external reporting and accounting for managerial decision-making has at best proven problematic and at worse has been absent — although this crucial issue remains in the “what we aren't sure about” category.

*This article responds to the preceding paper by Allan Barton by reviewing the practitioner and academic literature on accrual accounting in a general government sector context. It considers why that literature has a preponderance of assertion and is underweight in evidence. It argues that Barton's paper, while being a useful addition to the calls for improvements to the model of accrual accounting applied to GGS organisations, has flaws in its assertions as to the superiority of accrual accounting per se. These flaws are an absence of supporting evidence and a confusion between internal and external accounting.*

## WHAT HAVE HISTORIANS HAD TO SAY ABOUT PSAA?

In a first step to determine what we might know about PSAA, the emerging histories might be useful. Those histories are currently limited to the conversion from cash to accrual or some other aspect of the change. Absent still is a full history of the operation of PSAA in GGS organisations. However, the histories currently available are useful in establishing the non-trivial nature of the change from cash to accrual accounting and they point to the following conclusions:

- While implementation cost is not known in most cases, there are indications that it has been expensive<sup>1</sup> (Ellwood and Wynne 2005, Carlin 2006).
- In some jurisdictions a cost-benefit analysis of PSAA implementation will never be possible (Funnell and Cooper 1998) and it also seems that accrual accounting has been privileged since it has not satisfied an *ex ante* value-for-money test that is frequently imposed on other forms of public service expenditure (Humphrey 2005). For further views on this theme, refer Froud *et al* (1998), Chow *et al* (2005), Carnegie and West (2005), Ellwood and Wynne (2005) and Barton (2004).
- A number of histories show that accrual accounting is not simply a technical matter but that it has been implicated in fundamental changes to public-sector management and in wider political matters (Newberry and Pallot 2004, 2005, Lye *et al* 2005).
- There is a body of evidence that policy entrepreneurs emerged to support PSAA (Ryan 1998) and as a result of the accrual accounting opportunity, the accounting profession changed its relative disinterest in the public sector to an active interest in a short period of time in the late 1980s (Chua and Sinclair 1994, Christensen 2002, 2005, Kent 2003) but this requires further research (Goddard 2002).
- The decision to adopt PSAA, and decisions about accounting standards for that adoption, were made without sufficient critical consideration of implementation issues (Potter 2002, Barton

2005a), with minimal input from account preparers (Ryan *et al* 1999) and as a result, at least initially, there has been a negative impact on timeliness and quality of accounting reports (Heald 2005).

The above histories point to the conclusion that much is unknown about PSAA's past but that it is linked to some major changes that are worthy of non-historical research. Much non-historical work has been published and this paper examines that body of literature. The examination is unapologetically biased to Australian and New Zealand contributions<sup>2</sup> although that is not exclusive. The papers included in this review were identified in searches of Proquest and EBSCO databases where the search was based on the word "accrual" appearing in any field and the paper being published between 1981 and 2005. Papers not relating to PSAA or not relating to a GGS (state or federal government) context were excluded but additional papers, mostly from non-indexed conferences and official publications, were included especially where they had been cited by sources identified in the searches for this review. In total, 130 contributions have been examined and these are identified in Table 1, where each contribution is classified according to the following features:

- Source: official (authored by a government official, department, committee or similar), industry (authored by a practising accountant, accounting firm and/or a professional body), or academic.
- Advocacy: support for PSAA, opposition, call for change or questioning.
- Thematic linkage: either PSAA is presented as being part of a change theme or not.

In reading Table 1, a number of explanatory points should be noted.

First, the body of literature excludes

contributions that relate to accrual accounting in government business undertakings but does include contributions that deal with broad aspects of public-sector accounting and management as long as there is explicit mention of accrual accounting. Second, the list is not exhaustive<sup>3</sup> but does cover most Australian contributions and aims to capture the more substantial non-Australian sources. Third, the classifications used are blunt and subject to argu-

## THE DECISION TO ADOPT PSAA, AND DECISIONS ABOUT ACCOUNTING STANDARDS FOR THAT ADOPTION, WERE MADE WITHOUT SUFFICIENT CRITICAL CONSIDERATION OF IMPLEMENTATION ISSUES.

**TABLE 1: PUBLIC SECTOR ACCRUAL ACCOUNTING LITERATURE 1981-2005**

Source	Type: O (official) A (academic) I (industry)	Advocacy: F (for) A (against) C (change) Q (question)	Identification of a theme associated with PSAA
<b>1981-1987</b>			
Mautz (1981)	A	A	
Shand (1983)	O	F	
Sutcliffe (1985)	O	F	
Carpenter (1986)	O	F	
Hopper (1986)	A	A	✓
Egol (1987)	I	F	✓
Regan (1987)	I	F	
Carpenter (1987a)	O	F	
Carpenter (1987b)	O	F	
Humphry (1987)	O	F	
Robson (1987)	O	F	
Walker (1987)	I	F	
<b>1988</b>			
Auditor-General's Office of NSW (1988)	O	F	
NSW Commission of Audit (1988)	O	F	
NSW Public Accounts Committee (1988)	O	F	
Mautz (1988)	A	A	
<b>1989</b>			
Humphry (1989)	O	F	
Prosser (1989)	I	F	
Walker (1989)	A	Q	
<b>1990</b>			
Groom (1990)	O	F	
Pallot (1990)	A	Q	
Ryan (1990)	I	F	
Shand (1990)	I	F	
<b>1991</b>			
Allan (1991)	O	F	
Balding (1991)	I	F	
Scullion (1991)	O	F	
<b>1992</b>			
Barrett (1992)	O	F	
Churchill (1992a)	I	F	
Churchill (1992b)	I	F	
DioGuardi (1992)	I	F	
Lambert (1992)	O	F	
Ma (1992)	A	A	
Micallef (1992)	O	F	
NSW Public Accounts Committee (1992)	O	F	
Pallot (1992)	A	A	
Rutherford (1992)	A	Q	
Sharpe (1992)	I	F	
<b>1993</b>			
Carpenter (1993)	O	F	
Ma and Matthews (1993)	A	A	
Mackintosh (1993)	I	F	
Redburn (1993)	O	F	
Roberts (1993)	I	F	
OECD (1993)	O	F	

<b>TABLE 1: PUBLIC SECTOR ACCRUAL ACCOUNTING LITERATURE 1981-2005</b>			
<b>Source</b>	<b>Type: O (official) A (academic) I (industry)</b>	<b>Advocacy: F (for) A (against) C (change) Q (question)</b>	<b>Identification of a theme associated with PSAA</b>
<b>1994</b>			
Aiken (1994)	A	C	
International Federation of Accountants (1994)	I	F	
Ball (1994)	O	F	
McCrae and Aiken (1994)	A	C	
Micallef <i>et al</i> (1994)	O	F	
Pallot (1994)	A	F	
<b>1995</b>			
Carnegie and Wolnizer (1995)	A	A	
Walker (1995)	A	Q	
<b>1996</b>			
Burritt <i>et al</i> (1996)	A	A	
Clark-Lewis (1996)	O	A	
Conn (1996)	I	Q	✓
Mellett and Williams (1996)	A	A	✓
Mellor (1996)	O	F	
NSW Public Accounts Committee (1996)	O	F	
<b>1997</b>			
Boorssma and Mol (1997)	A	Q	
Bradbury (1997)	O	F	
Carnegie and Wolnizer (1997)	A	C	
Copley <i>et al</i> (1997)	A	F	
Jones and Puglisi (1997)	A	A	
Micallef (1997)	O	F	
Micallef and Peirson (1997)	A	F	
Pallot (1997)	A	Q	
Stanton and Stanton (1997)	A	Q	
<b>1998</b>			
Barton (1998)	A	C	
Funnell and Cooper (1998)	A	C	
Guthrie (1998)	A	A	✓
Jones (1998)	A	Q	
Robinson (1998a)	A	C	
Robinson (1998b)	A	C	
Stanton and Stanton (1998)	A	A	
<b>1999</b>			
Ball <i>et al</i> (1999)	I	F	
Barton (1999a)	A	C	
Barton (1999b)	A	C	
Carnegie and Wolnizer (1999)	A	C	
Guthrie (1999)	A	A	✓
Johnstone (1999)	A	C	
McGregor (1999)	I	F	
Miley (1999)	I	F	
Ng and Shead (1999)	A	C	
Parker and Gould (1999)	A	C	
<b>2000</b>			
Barton (2000)	A	C	
Bartos (2000)	O	F	
CPA Australia (2000)	I	F	

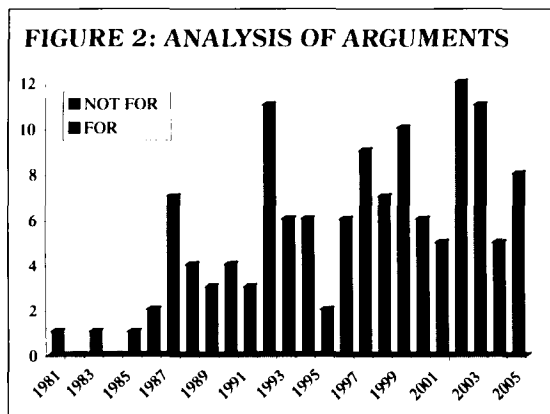
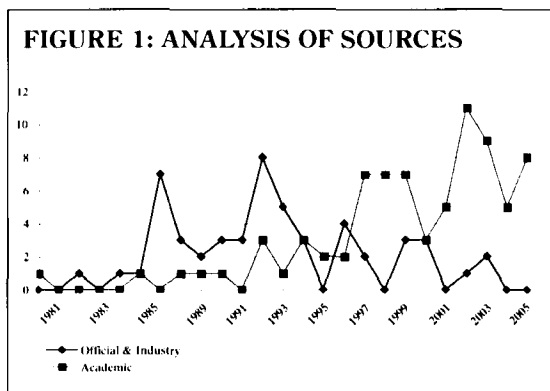
<b>TABLE 1: PUBLIC SECTOR ACCRUAL ACCOUNTING LITERATURE 1981-2005</b>			
<b>Source</b>	<b>Type: O (official) A (academic) I (industry)</b>	<b>Advocacy: F (for) A (against) C (change) Q (question)</b>	<b>Identification of a theme associated with PSAA</b>
Likierman (2000)	O	F	
Mignot and Dolley (2000)	A	F	
Pilcher (2000)	A	C	
<b>2001</b>			
Carlin and Guthrie (2001)	A	C	
Karan (2001)	A	A	
Monsen and Nasi (2001)	A	A	
Newberry (2001)	A	C	
Thompson (2001)	A	Q	
<b>2002</b>			
Ball (2002)	O	F	
Barton (2002)	A	C	
Carnegie and Wolnizer (2002)	A	Q	
Mellett (2002)	A	A	✓
Monsen (2002)	A	A	
Newberry (2002a)	A	Q	✓
Newberry (2002b)	A	A	✓
Potter (2002)	A	A	✓
Robinson (2002a)	A	Q	
Robinson (2002b)	A	C	
Rowles (2002)	A	F	
Salinas (2002)	A	F	✓
<b>2003</b>			
Barton (2003)	A	C	
Carlin (2003)	A	Q	
Carlin and Guthrie (2003)	A	A	
Carnegie and West (2003)	A	C	✓
Chan (2003)	A	F	
Ellwood (2003)	A	Q	
Guthrie <i>et al</i> (2003)	A	Q	✓
International Federation of Accountants (2003)	O	F	
Pollitt (2003)	A	A	✓
Stalebrink and Sacco (2003)	A	C	✓
Wynne (2003)	I	C	
<b>2004</b>			
Barton (2004)	A	C	✓
Carlin (2004)	A	Q	
Kelly and Wanna (2004)	A	A	✓
Newberry and Ellwood (2004)	A	A	✓
West and Carnegie (2004)	A	C	
<b>2005</b>			
Barton (2005a)	A	C	✓
Barton (2005b)	A	C	
Carlin (2005)	A	C	✓
Carnegie and West (2005)	A	C	✓
Hooper <i>et al</i> (2005)	A	C	
Humphrey (2005)	A	A	✓
Newberry and Pallot (2005)	A	A	✓
Sheehan (2005)	A	C	

ment but the table nevertheless presents a useful overview of a rapidly changing body of literature. Fourth, contributions are listed in chronological order to assist the analysis that follows.

## SOURCES AND TIMING OF CONTRIBUTIONS

Table 1 is useful in identifying the sources of PSAA contributions from 1981 to 2005. For the period 1987 to 1993, practitioner sources, classified as "official" or "industry", consistently outnumbered academic sources. However, from 1994 to 2005 a dominance of academic sources is apparent. By 1993 the cumulative count of contributions from official and industry sources outnumbered academic contributions by a factor of almost 4:1. By 2005, academic contributions had overcome that deficit and outweighed official and industry contributions over the full period by a factor of 1.5:1. These trends are shown in Figure 1 where the significance of 1993–94 as a cross-over point can be more readily discerned; 1993 was also when NSW became the first government in Australia to convert fully to PSAA after some five years of effort. Thus it appears that official and industry sources were most interested in the topic of PSAA in its formative years, whereas the interest of academic sources began to grow after the initial implementation of PSAA. If recent years are representative of a continuing trend there will be further dominance of academic over practitioner sources.<sup>4</sup>

An additional interesting factor in this analysis is the change in the proportion of contributions



expressing an opinion in support of the PSAA change. Figure 2 summarises this data and again a clear change is discernible whereby the early period is dominated by contributions in support of PSAA and the second half is dominated by arguments either opposed to, critical of or questioning of the change (labelled "not for"). By 2001 the dominance of non-supportive arguments was overwhelming and growing. Thus a picture of a changing literature emerges at this aggregate level of examination.

## ARGUMENTS SUPPORTING PSAA

The early literature is dominated by arguments for accrual accounting predominantly from official or industry sources. Typically these contributions lack empirical evidence, perhaps because of the "early days" nature of the commentaries, and they rely on normative views often presented in a zealous manner (Christensen 2002) and frequently only on emotive grounds (Carlin 2005). These views can be characterised as being one or more of the following:

- Accrual accounting in the public sector will make it comparable to the private sector and that would be inherently sensible (see, for example, Egol 1987, Regan 1987).
- Accrual accounting is defined as the opposite of cash accounting and so would avoid the problems that arise from cash accounting through timing manipulation, asset misuse and ignorance of non-cash costs (see for example, NSW Public Accounts Committee 1988, DioGuardi 1992).
- Accrual accounting will provide full and accurate cost data and so improve the efficiency of the public sector, especially with respect to asset usage (see, for example, Humphry 1989, Balding 1991, Rowles 2002). In part, this efficiency improvement will be a "trickle down" effect resulting from improved external reporting (Thompson 2001).
- Accrual accounting will improve external accountability (see, for example, Carpenter 1987a, Robson 1987) and prevent manipulation of public finance by politicians (Regan 1987).
- Intergenerational equity will be improved by accrual accounting reports (see, for example, Walker 1987).

Since most of these arguments predate substantive experience of PSAA practical application outside commercial trading enterprises, it is perhaps understandable that they lack an empirical base (Humphrey 2005). However, there is increasing evidence that PSAA has, at the very least, confronted some significant implementation effects and unanticipated complexity in transferring an apparently tried-and-proven accounting technique to a new environment (Ezzamel *et al* 2005).

## ARGUMENTS NOT SUPPORTING PSAA

As noted by Carlin (2005), each of the lines of argument supporting public-sector accrual accounting are ripe for criticism, since they are presented largely in a data-free environment and at their base they have a faith in the existence and utility of objective accounting data. Increasingly there is criticism of the move from cash to accrual accounting (Guthrie *et al* 2003) as noted above and shown in Figure 2. Most of the critical literature identified in Table 1 presents one or more of the following reasons to conclude that the case in favour of public sector accrual accounting is likely to be based more on hope than expectation:

- The definition of “asset” based on private-sector standards is problematic in a public-sector context and creates distortions in meanings (Pallot 1992, Carnegie and West 1997, Carnegie and Wolnizer 1995, 1997, 1999, Funnell and Cooper 1998, Barton 2000, 2005b).
- The “matching concept” is problematic in a non-profit context where effort expended does not necessarily relate to revenue earned (Barton 1999a, Monsen and Nasi 2001, Monsen 2002, Chan 2003).
- Accrual accounting in the private sector is bedevilled by manipulation and like all accounting systems it is socially constitutive (Hines 1988) without inherent superiority to alternative accounting systems in terms of “accuracy” (Walker 1989, Newberry 2002a).
- Accrual accounting, as implemented in a number of public sectors, has produced confusing and sometimes counter-intuitive financial statements (Pallot 1997, Barton 1999b, Pilcher 2000, Mellett 2002, Barton 2004, West and Carnegie 2004).
- Accrual accounting has been closely interconnected with other public-sector reforms and so should be seen as a part of the rhetoric surrounding those reforms (Mellett and Williams 1996, Guthrie 1998, Newberry 2002b, Barton 2003, Kelly and Wanna 2004, Newberry and Ellwood 2004, Newberry and Pallot 2005).

It is not intended to fully review here all of the literature that has argued against accrual accounting. However, two important findings from the review of this part of the literature are briefly discussed below. First, that the relationship between improved management and accrual accounting is contested theoretically and, second, that accrual accounting represents implementation of a broader scheme of reform — a type of Trojan horse in which the accounting change is not an end but is a means to introduce other more important change.

## WHAT EVIDENCE IS THERE ON THE MANAGERIAL IMPACT OF PSAA?

There is ample argument supporting scepticism of the claims that were mostly made in favour of PSAA during the years before 1994. This extends beyond a technical and semantic focus (Carlin 2005) to offer substantive reasons for sector-specific approaches or to make warnings of the need to consider PSAA within a broad contextual perspective in which themes of change are identified. Nevertheless, the most important conclusion arising from this aspect of the literature is that both the cases for and against the impact of PSAA on managerial decision-making have not yet been thoroughly examined in an empirically based study of accrual accounting in operation (Funnell and Cooper 1998, Guthrie 1998, Newberry 2002b, Carlin 2005, Ellwood and Wynne 2005). This is clearly an outstanding empirical question and thus is a significant gap in the literature. As part of that gap, more than a decade ago, Carnegie and Wolnizer (1995) challenged PSAA advocates to answer four specific questions dealing with assignment of monetary values to public-sector non-financial resources and recently Carnegie and West (2005) have noted that these questions still remain unanswered. While this is true, there have been some attempts addressing limited aspects of managers’ reactions to PSAA:

- Jones and Puglisi (1997), in a survey-based assessment of Australian government departmental managers, conclude that those managers had doubts that accrual accounting information, when available, would change their decision-making. However, this survey’s relevance is constrained by the fact that most respondents had little or no experience using accrual accounting in general government sector organisations.
- Pilcher (2000), in a survey of local government managers, concludes that there is confusion in their compliance with AAS 27 and thus the usefulness of accrual accounting information for decision-making about assets must be questioned.
- CPA Australia (2000), in a survey of 25 organisations’ accounting policies and systems, the conclusion was reached that many organisations continued to operate dual cash and accrual systems thus “much effort will be needed to extract benefits of the reforms at agency level” (p. 22). Although this survey asked two questions on the usefulness of accrual information for decision-making by CEOs, the raw data for responses to these questions is not reported and the study is limited by its small sample size, the lack of anonymity for respondents, the limited range of available responses to questions (yes/no or up to four alternatives) and the close identification of the survey with CPA Australia and KPMG Canberra.

- Thompson (2001), in a study using content analysis of financial reports and interviews of managers in seven New Zealand museums, concludes with an expectation of improved management although evidence of realisation of that expectation is not presented.
- Carlin and Guthrie (2001), examining accrual output-based budgeting in Queensland and New Zealand education organisations, conclude that documentation did not significantly differ from the input, cash-based budgets and so improved management was unlikely.
- Carlin (2004), examining Victorian accrual output-based performance indicator disclosures, concludes that the high rate of change in the reported indicators means that improved performance based on these indicators is unlikely.

Excluding the limited studies noted above, the remainder of the literature is largely normative in nature and where it makes comments on the managerial impacts of accrual accounting those comments mostly rely on theoretical perspectives of published accounting reports. Thus detailed case studies, based on empirical evidence and making theoretically grounded explanations of observed changes in managerial decision-making and other organisational effects of accrual accounting, are absent from the extant literature.

One of the challenges facing case studies of public-sector accrual accounting is the complexity arising from the interconnection of accounting change with organisational and managerial change (Carlin 2005) in a typically unstable environment. One element of this complexity is that accrual accounting has been identified as a means to implementation of other changes and thus assessed as being more than a technical accounting change, notwithstanding that all public-sector accounting is inherently contextual (Broadbent and Guthrie 1992).

### PSAA AS A VEHICLE FOR OTHER CHANGE

A further striking aspect of Table 1 is the significant incidence of papers since 2002 linking PSAA to some thematic view of public-sector change. That is, accrual accounting is seen within a theme of change involving matters such as privatisation, private-sector management practices, public-sector purchaser-provider relationships, reducing disclosure to parliament, outsourcing and funding levels. These contributions focus not on the managerial impact or micro arguments but consider accountability arguments and a broad conception of "what is going on here?" Essentially they evidence the "accountingisation" of the public sector (Power and Laughlin 1992, p. 133). At a broad level these contributions relate to Hood's (1995) conceptualisation of New Public Management and Olson *et al*'s (1998) discussions of

New Public Financial Management. However, in more recent times scholars have identified evidence that specifically links accrual accounting to Public Choice Theory (Barton 2005a), privatisation (Newberry and Pallot 2005) and neo-liberalism (Newberry and Ellwood 2004). Evidence for these claims has emerged as accrual accounting experience has grown and as PSAA histories have been documented (Christensen 2002, Newberry 2002b, Potter 2002). Indeed, the link to non-accounting reforms was identified in the NSW case early when an official noted that "the term 'accrual accounting' has become a code for much wider-ranging set of changes" (Conn 1996, p. 82). Thus a lesson from the literature broadly arguing against PSAA is to adopt a healthy scepticism of the claims made on behalf of accrual accounting and, without prejudging the evidence, to consider the relationship of this accounting change with other managerial and political changes. Most importantly, the literature clearly establishes the need for detailed empirical studies.

### BARTON'S PROBLEMATIC PSAA ADVOCACY AND WHAT WE DON'T KNOW ABOUT PSAA

The review of PSAA literature brings us back to Barton's (2007) assertion that PSAA is superior to cash accounting in a public-sector context. This is a view that has no empirical support in the literature but does have a long lineage of normative argument presented mostly by practitioners and mostly in the first half of the period studied. Barton repeats the point that without PSAA, governments would not have "systematic records of their vast holdings of non-cash assets". However, this is not true, since governments have a system of internal controls long established (and regularly audited) to ensure ownership and management of assets and liabilities is achieving government objectives. There is no reason why this should be the exclusive preserve of an accounting system but the difficulties of ascribing monetary values to public-sector assets where there is no market do cast doubts on the ability of PSAA to provide useful information to managers of those assets (see, for example, Carnegie and Wolnizer 1995, 1997, 1999).

The trap that Barton and earlier advocates of PSAA fall into is to confuse attribution of monetary values with necessary non-financial information used by managers in their control of public-sector assets. The latter non-financial information usually resides in a database of asset information that stands outside the accounting system and is frequently used for asset management decision-making. Thus a decision, for example, to expand or contract a school might consider utilisation of existing space, demographic trends, pedagogical developments including changing curricula requirements of facilities, alternative uses of the existing facilities and so on.



However, neither the historical cost nor the current replacement value of the assets is of use in such matters, since the land is zoned for an educational use and the need to deliver an education to children residing in the school's "catchment" defines the purpose of the school. Conversion of the school asset into cash or other non-educational assets is not in the educational provider's decision-making ambit, hence a monetary value of the school is not relevant.

The private-sector purpose of maximising shareholder wealth does not drive public-sector asset management and to pretend the contrary only produces the types of problems that Barton later correctly identifies: an inappropriate concept of assets and, consequentially, inappropriate concepts of revenue, liabilities and equity. Unfortunately, what we don't know about this is the impact, or absence of impact, on managers resulting from the application of PSAA at an organisational decision-making level.

A second problem encountered in Barton's paper is the manner in which he, like the earlier advocates of PSAA, works from the macro to the micro. Thus he argues that the vast portfolio of assets held within the GGS means PSAA is needed to "refocus management attention". He notes the "burgeoning liabilities from budget deficits" as though these macro outcomes were a natural consequence of cash accounting, and in the same paragraph associates this with micro-management of cost control within departments. He even associates PSAA with appropriate maintenance of assets<sup>5</sup> and argues that "accrual accounting is required for the final resource management role of government". Despite his confidence, the literature does not provide evidence of this linkage and so such claims must be subject to empirical test. Without such a test, these claims should be seen as only normative assertions that might have more in common with wishful thinking than with reality. The claims seem contrary to the established dichotomy between external and internal accounting based on the differing needs and available data sets of external stakeholders and internal managers. Internal managers should always have detailed, confidential and timely information that will not be available to external stakeholders; thus financial accounting which is designed to meet external information needs cannot be expected to drive improved managerial decision-making. In the GGS sector especially, this will be heightened because of the increased importance of non-financial information in the absence of a profit-maximising objective (Walker 2002).

While the above discussion has focused on what the literature says with respect to Barton's assertion of PSAA's superiority, it should not detract from his contribution in demonstrating the further inadequacies of the AAS version of PSAA compared with a GFS version. In his mind this is the major issue and so the paper makes a valuable contribution to the

debate about what form of accrual accounting might better suit the public sector. Indeed, Barton's view seems to be based on the conclusion that a reversion to cash accounting will not happen and this has support elsewhere (eg, Carlin 2005). This might represent a new direction for the academic contributions to PSAA. The other strength of Barton's paper is the cogent mapping of government responsibilities to the consequential need for cash accounting information. However, Barton's argument suffers from an insufficient distinction between accountability and management purposes of accounting information. This is the same problem noted regarding the early advocacies of PSAA. The lack of a clear focus on either of these purposes confounds the PSAA discussion and leads to troubling comments (for example, relating annual cashflow statements to day-to-day cash management). Predominantly, Barton's concern seems to be on accountability issues and this seems appropriate since, in the commonwealth government GGS context, both AAS and GFS systems have not been applied at a departmental level where the managerial accounting purpose is most substantial. Regardless, the literature reviewed here does not provide evidence that the expected "trickle down" from improved external reporting<sup>6</sup> to improved managerial decision-making has eventuated and some contrary evidence is emerging (Carlin 2004). This linkage has not been confirmed or refuted and so it clearly resides in the category of what we are not sure about regarding PSAA.

## CONCLUSION

The prime concern of this paper is to draw attention to the unsatisfactory situation facing public-sector practitioners and academics with respect to PSAA. It is clearly unsatisfactory that 130 contributions to the PSAA discussion leave us knowing so little about the managerial impact of PSAA when so much was promised by its advocates. This is not a criticism of individual contributions since they have not in general been able (because of the relative newness of PSAA) to determine the managerial impact of PSAA. Some were interested in accountability, causality, implementation, or association with other public-sector change, but none has empirically dwelt on the managerial impact of PSAA.<sup>7</sup> Thus we do know some things about PSAA: it has been expensive, non-trivial and confusing, closely interconnected with other reforms, and controversial — with spirited advocacy on both sides of the argument. However, importantly, we do not know if it has had an impact on managers' decisions.

Although the literature search at the core of this paper did not reveal an in-depth analysis of the managerial impact of adopting accrual accounting within a specific GGS organisation, there is cause for concern about PSAA as revealed by some of the broader system-wide studies by Carlin (2004, 2005),

Newberry (2002b), Newberry and Pallot (2004 and 2005) and Pilcher (2000). These studies use various research approaches and they demonstrate impacts of accrual accounting or specific accrual techniques such as depreciation that were not predicted at the time of its advocacy. Such impacts include consistent and systematic breakage of the information performance bridge expected between reporting and improved performance, an obfuscation of parliamentary funding controls, confusion over performance reporting in accrual terms, and an absence of change despite the introduction of PSAA. In addition to these concerns, and as shown in Table 1 and Figure 2, the clear growth in contributions that are not in support of PSAA demonstrates a need for both academic and practitioner communities to examine what has changed as a result of PSAA at an organisational level.

There is an important message here to academic researchers: it is time to pin down finally whether the PSAA revolution has produced a change in managerial decision-making at a departmental level within the GGS. Humphrey (2005) illustrates this point with health and university sector examples. There is clearly also a role for practitioners; their involvement in delivering the PSAA change has been paramount yet they have been less vocal since the various implementations have come into effect. What is urgently needed is detailed empirical study at an organisational level to reveal what PSAA has changed within GGS organisations. It is unlikely that survey-based research will be successful in this task; instead, there is a need for qualitatively rich case studies. Such case studies will also need to cover collectively a number of jurisdictions before a reliable picture will emerge. Until this call to action is met, what we *do* know about PSAA will be greatly dwarfed by what we *might* know — but simply aren't sure about.

*Mark Christensen is in the Faculty of Business, Southern Cross University. While this paper reflects the opinions of its author, the assistance of Professor Lee Parker, University of Adelaide, and the helpful comments of the anonymous reviewers are gratefully acknowledged.*

## NOTES

- 1 As indication of the ongoing cost of public-sector accrual accounting, Ellwood and Wynne (2005, p. 162) cite the increased number of qualified accountants employed by the UK central government, from 600 in 1989 to 2,200 in 2003.
- 2 The Australia-NZ bias in the literature arises from the longer timeframe of discussion devoted to accrual accounting in these jurisdictions. There is also a bias towards NSW in the selected literature, since that jurisdiction was an early adopter of PSAA in the Australian context. The biases in the literature selection are also sympa-

thetic to the readership of *Australian Accounting Review*.

- 3 For example, it does not include Australian Accounting Standards nor does it represent an exhaustive coverage of conference publications (academic or non-refereed) on the subject.
- 4 It is not the objective here to explain these changes. The literature on professional change might be useful in dealing with the interesting question of why this pattern of change in the public sector accrual accounting literature is apparent. For example, early in the literature when practitioners dominated and academics appear to have been relatively quiet would be contrasted with the latter stage, when the practitioners appear to have moved on to other issues whilst academics are catching up with post-implementation issues and critiques of the worth of the change.
- 5 This was an argument presented in the 1980s in NSW yet it can only be considered as ironic in recent years, as inadequate accounting records have been blamed by recent NSW governments for maintenance problems in the NSW railway system — despite some 13 years of PSAA operation.
- 6 Although whether PSAA can improve external reporting is clearly contested in the literature.
- 7 It may be argued by some that performance audits that have commented on accrual accounting implementation may come close to empirical assessments of its impact on managers. However such audits do not equate to blind refereed publications since their official nature places them in a special category and thus are excluded in this discussion.

## REFERENCES

- Aiken, M., 1994, "Parliamentary Sovereignty and Valuation Accruals: Uncongenial Conventions", *Financial Accountability and Management* 10, 1: 17–32.
- Allan, P., 1991, "The Financial Management Improvement Program of the New South Wales Treasury", *Australian Journal of Public Administration* 50, 2: 107–16.
- Auditor-General's Office of NSW, 1988, "Modified Accrual Accounting Taskforce Report on Financial Statements of Cultural/Heritage Bodies in NSW", Sydney.
- Balding, R., 1991, "Valuation of Infrastructure Assets and CCA", Australian Society of CPAs NSW State Congress, Darling Harbour.
- Ball, I., 1994, "Reinventing Government: Lessons from the New Zealand Treasury", *Government Accountants Journal* 42, Fall: 19–28.
- Ball, I., T. Dale, W. Eggers and J. Sacco, 1999, "Reforming Financial Management in the Public

- Sector: Lessons US Officials Can Learn from New Zealand", Reason Public Policy Institute, Washington: 1-26.
- Ball, I., 2002, CPA Australia Inaugural Neil Walker Memorial Lecture.
- Barrett, P., 1992, "Financial Reporting for the Australian Public Sector", RIPAA National Council Conference, Sydney.
- Barton, A. 1998, "Cash and Accrual Budgets for Central Government: An Analysis of their Comparative Roles", Australian Society of Certified Practising Accountants, Melbourne.
- Barton, A., 1999a, "Public and Private Sector Accounting — the Non-Identical Twins", *Australian Accounting Review* 9, 2: 22-31.
- Barton, A., 1999b, "Land Under Roads — a Financial Bonanza or Fool's Gold?", *Australian Accounting Review* 9, 1: 9-15.
- Barton, A., 2000, "Accounting for Public Heritage Facilities — Assets or Liabilities of the Government?" *Accounting, Auditing and Accountability Journal* 13, 2: 219-35.
- Barton, A., 2002, "Public-Sector Accounting: a Common Reporting Framework? A Rejoinder", *Australian Accounting Review* 12, 3: 41-5.
- Barton, A., 2003, "Accrual Accounting in Government: a Review of its Applications, Achievements and Problems and Proposals for Reform", CPA Australia, Melbourne.
- Barton, A., 2004, "How to Profit from Defence: a Study in the Misapplication of Business Accounting to the Public Sector in Australia", *Financial Accountability and Management* 20, 3: 281-304.
- Barton, A., 2005a, "Professional Accounting Standards and the Public Sector — a Mismatch", *Abacus* 41, 2: 138-58.
- Barton, A., 2005b, "The Conceptual Arguments Concerning Accounting for Public Heritage Assets: a Note", *Accounting, Auditing & Accountability Journal* 18, 3: 434-40.
- Barton, A., 2007, "Issues in Use of Accrual Accounting and Budgeting Systems by Australian Governments", *Australian Accounting Review* 17, 1.
- Bartos, S., 2000, "Accrual Budgeting in the Public Sector", Department of Finance and Administration.
- Boorrsma, P., and N. Mol 1997, "Capital Budgeting in Dutch Central Government", *Public Budgeting and Financial Management* 8, 4: 597-611.
- Bradbury, S., 1997, "The Global Revolution", *Accountancy* 120, November: 70.
- Broadbent, J., and J. Guthrie 1992, "Changes in the Public Sector: a Review of Recent 'Alternative' Accounting Research", *Accounting, Auditing & Accountability Journal* 5, 2: 3-31.
- Burritt, R., M. McCrae and C. Benjamin, 1996, "What is a Public Sector Asset?", *Australian Accounting Review* 6, 1: 23-28.
- Carlin, T., 2003, "Unravelling the Capital Charging Riddle: Some Empirical Evidence from Victoria", *Financial Accountability and Management* 19, 1: 73-92.
- Carlin, T., 2004, "Output-Based Management and the Management of Performance: Insights from the Victorian Experience", *Management Accounting Research* 15, 3: 267-83.
- Carlin, T., 2005, "Debating the Impact of Accrual Accounting and Reporting in the Public Sector", *Financial Accountability and Management* 21, 3: 309-36.
- Carlin, T., 2006, "Victoria's Accrual Output Based Budgeting System — Delivering as Promised? Some Empirical Evidence", *Financial Accountability and Management* 22, 1: 1-19.
- Carlin, T., and J. Guthrie, 2001, "Lessons from Australian and New Zealand Experiences with Accrual Based Output Budgeting Systems", in L. Jones, J. Guthrie and P. Steane (eds), *Learning from International Public Management Reform*, Elsevier-Oxford, New York: 89-100.
- Carlin, T., and J. Guthrie, 2003, "Accrual Output Based Budgeting Systems in Australia — the Rhetoric-Reality Gap", *Public Management Review* 5, 2: 145-62.
- Carnegie, G., and B. West, 1997, "Observing the PSASB: ED 50 and the Recognition of Infrastructure Assets", *Australian Accounting Review* 7, 2: 30-9.
- Carnegie, G., and B. West, 2003, "How Well Does Accrual Accounting Fit the Public Sector?", *Australian Journal of Public Administration* 62, 2: 83-6.
- Carnegie, G., and B. West, 2005, "Making Accounting Accountable in the Public Sector", *Critical Perspectives on Accounting* 16, 2: 905-28.
- Carnegie, G., and P. Wolnizer, 1995, "The Financial Value of Cultural, Heritage and Scientific Collections: an Accounting Fiction", *Australian Accounting Review* 5, 1: 31-47.
- Carnegie, G., and P. Wolnizer, 1997, "The Financial Reporting of Publicly-Owned Collections: Whither Financial Market Values and Contingent Valuation Estimates?", *Australian Accounting Review* 7, 1: 44-50.
- Carnegie, G., and P. Wolnizer, 1999, "Unravelling the Rhetoric about the Financial Reporting of Public Collections as Assets", *Australian Accounting Review* 9, 1: 16-21.
- Carnegie, G., and P. Wolnizer, 2002, "A Rejoinder", *Australian Accounting Review* 12, 3: 45-7.
- Carpenter, G., 1986, "Accrual Accounting — Issues and Policy Implications for Departments and Non-

- Business Government Entities", Research Lecture, Australian Society of CPAs.
- Carpenter, G., 1987a, "Accrual Accounting and Parliamentary Appropriations: Are They Compatible?", Australian Society of Accountants, National Government Accounting Convention, Perth.
- Carpenter, G., 1987b, "Views on Accrual Accounting: Can Accrual Accounting Work in Government?", Australian Society of CPAs.
- Carpenter, G., 1993, "SAC4: Its Effect on Accountants in Queensland's Public Service Departments", in B. Birch (ed.), *Readings in Accounting Developments in the Public Sector 1992-93*, Australian Society of Certified Practising Accountants, Melbourne: 18-35.
- Chan, J., 2003, "Government Accounting: An Assessment of Theory, Purposes and Standards", *Public Money & Management* 23, 1: 13-20.
- Christensen, M., 2002, "Accrual Accounting in the Public Sector: The Case of the New South Wales Government", *Accounting History* NS 7, 2: 91-122.
- Christensen, M., 2005, "The 'Third Hand': Private Sector Consultants in Public Sector Accounting Change", *European Accounting Review* 28, 3: 447-74.
- Chow, D., C. Humphrey and P. Miller 2005, "Financial Management in the UK Public Sector", in J. Guthrie, C. Humphrey, L. R. Jones and O. Olson (eds), *International Public Financial Management Reform: Progress, Contradictions and Challenges*, Information Age Publishing, Greenwich: 283-322.
- Chua, W.F., and A. Sinclair, 1994, "Interests and the Profession-State Dynamic: Explaining the Emergence of the Australian Public Sector Accounting Standards Board", *Journal of Business Finance and Accounting* 21, 5: 669-705.
- Churchill, M., 1992a, "The Winds of Change", *Australian Accountant*, 62, 2: 17-20.
- Churchill, M., 1992b, "Asset Valuation", *Australian Accountant* 62, 3: 35-9.
- Clark-Lewis, M., 1996, "Government Accrual Reports: Are They Better Than Cash?" *Australian Journal of Public Administration* 55, 1: 86-7.
- Conn, N., 1996, "Reservations about Governments Producing Balance Sheets", *Australian Journal of Public Administration* 55, 1: 82-5.
- Copley, P., R. Cheng, J. Harris, R. Icerman, W. Johnson, G. Smith, K. Smith, W. Wrege and R. Yaahr, 1997, "The New Governmental Reporting Model: Is It a 'Field of Dreams'?", *Accounting Horizons* 11, 3: 91-101.
- CPA Australia, 2000, *Beyond Bean Counting 2000: A Benchmark of Effective Management in the Australian Public Sector*, CPA Australia, Melbourne.
- DioGuardi, J. 1992, *Unaccountable Congress: It Doesn't Add Up*, Regnery Gateway, Washington.
- Egol, M., 1987, "Can Accrual Accounting Work in Government?", Australian Society of CPAs, Sydney.
- Ellwood, S., 2003, "Bridging the GAAP Across the UK Public Sector", *Accounting and Business Research* 33, 2: 105-21.
- Ellwood, S., and A. Wynne, 2005, "An Accrual World? Questioning the Universal Validity of Accrual Accounting", in A. Bourmistrov and F. Mellemvik (eds), *International Trends and Experiences in Government Accounting*, Cappelen Akademisk Forlag, Oslo: 158-72.
- Ezzamel, M., N. Hyndman, A. Johnsen, I. Lapsley and J. Pallot, 2005, "Conflict and Rationality: Accounting in Northern Ireland's Devolved Assembly", *Financial Accountability and Management* 21, 1: 33-55.
- Froud, J., C. Haslam, S. Johal, J. Shaoul and K. Williams, 1998, "Persuasion Without Numbers? Public Policy and the Justification of Capital Charging in NHS Trust Hospitals", *Accounting, Auditing & Accountability Journal* 11, 1: 99-125.
- Funnell, W., and K. Cooper, 1998, *Public Sector Accounting and Accountability in Australia*, UNSW Press, Sydney.
- Goddard, A., 2002, "Development of the Accounting Profession and Practices in the Public Sector — an Hegemonic Analysis", *Accounting, Auditing & Accountability Journal* 15, 5: 655-88.
- Groom, E., 1990, "The Curran Report and the Role of the State", *Australian Journal of Public Administration* 49, 2: 144-56.
- Guthrie, J., 1998, "Application of Accrual Accounting in the Public Sector — Rhetoric or Reality?", *Financial Accountability and Management* 14, 1: 1-19.
- Guthrie, J., 1999, "A Critique of the Application of Accrual Accounting to the Public Sector", in C. Clark and D. Corbett (eds), *Reforming the Public Sector: Problems and Solutions*, Allen & Unwin, Sydney: 135-50.
- Guthrie, J., L. Parker, and L. English, 2003, "A Review of New Public Management Change in Australia", *Australian Accounting Review* 13, 2: 3-9.
- Heald, D., 2005, "The Implementation of Resource Accounting in UK Central Government", *Financial Accountability and Management* 21, 2: 163-89.
- Hines, R., 1988, "Financial Accounting: In Communicating Reality, We Construct Reality", *Accounting, Organizations and Society* 13, 3: 251-61.

- Hood, C., 1995, "The 'New Public Management' in the 1980s: Variations on a Theme", *Accounting, Organizations and Society* 20, 2/3: 93-109.
- Hooper, K., K. Kearins and R. Green, 2005, "Knowing 'the Price of Everything and the Value of Nothing': Accounting for Heritage Assets", *Accounting, Auditing & Accountability Journal* 18, 3: 410-33.
- Hopper, T., 1986, "Private Sector Problems Posing as Public Sector Solutions", *Public Finance and Accountancy*, 3 October: 11-13.
- Humphrey, C., 2005, "The Questionable Nature of 'Third Hand' Public Sector Accounting Solutions: A Case for Change?", *European Accounting Review* 14, 3: 475-85.
- Humphry, R., 1987, "International Developments in Government Financial Management", National Government Accounting Convention, Australian Society of Accountants, Perth.
- Humphry, R., 1989, "New Directions in Public Sector Management", 1989 State Congress and Exhibition, Australian Society of Accountants, Sydney.
- International Federation of Accountants, 1994, "Implementing Accrual Accounting in Government: The New Zealand Experience".
- International Federation of Accountants, 2003, "Transition to the Accrual Basis of Accounting: Guidance for Governments and Government Entities".
- Johnstone, D., 1999, "Public Sector Outsourcing and Charging In-House Bidders for their Use of Capital", *Australian Accounting Review* 9, 1: 33-41.
- Jones, R., 1998, "The Conceptual Framework of Resource Accounting", *Public Money and Management*, April-June: 11-16.
- Jones, S., and N. Puglisi, 1997, "The Relevance of AAS 29 to the Australian Public Sector: A Cause for Doubt?", *Abacus* 33, 1: 115-32.
- Karan, R., 2001, "Commercialisation of Public Sector Accounting and Public Accountability", Third APIRA Conference, Adelaide.
- Kelly, J., and J. Wanna, 2004, "Crashing Through with Accrual-Output Price Budgeting in Australia — Technical Adjustment or a New Way of Doing Business?", *American Review of Public Administration* 34, 1: 94-111.
- Kent, J., 2003, "The PSASB: The Accounting Profession in Regulatory Space", *Australian Accounting Review* 13, 2: 10-15.
- Lambert, M., 1992, "Implementation of Financial Management Reforms in the Budget Sector: The New South Wales Experience", RIPAA Financial Reporting for the Australian Public Sector Conference, Sydney.
- Likierman, A., 2000, "Changes to Managerial Decision-Taking in the UK Central Government", *Management Accounting Research* 11, 2: 253-61.
- Lye, J., H. Perera and A. Rahman, 2005, "The Evolution of Accruals-Based Crown (Government) Financial Statements in New Zealand", *Accounting, Auditing & Accountability Journal* 18, 6: 784-815.
- Ma, R., 1992, "What's Wrong with ED 55", *Financial Forum* 1, 4: 5.
- Ma, R., and R. Matthews, 1993, "Financial Reporting by Government Departments: ED 55 — a Dissenting View", *Australian Journal of Corporate Law* 3, 1: 67-88.
- Mackintosh, I., 1993, "Accrual Accounting for Departments and the Whole of Government: Costs, Benefits and Opportunities", Annual Research Lecture in Government Accounting, Australian Society of Certified Practising Accountants, Melbourne.
- Mautz, R., 1981, "Financial Reporting: Should Government Emulate Business?", *Journal of Accountancy*, August: 53-60.
- Mautz, R., 1988, "Editorial: Monuments, Mistakes, and Opportunities", *Journal of Accountancy*, June: 123-28.
- McCrae, M., and M. Aiken, 1994, "AAS 29 and Public-Sector Reporting: Unresolved Issues", *Australian Accounting Review* 4, 2: 65-72.
- McGregor, W.J., 1999, "The Pivotal Role of Accounting Concepts in the Development of Public Sector Accounting Standards", *Australian Accounting Review* 9, 1: 3-8.
- Mellet, H., 2002, "The Consequences and Causes of Resource Accounting", *Critical Perspectives on Accounting* 13, 2: 231-54.
- Mellet, H., and J. Williams, 1996, "Accountability and the Accounting Regime in the Public Sector: Some Messages from the NHS", *International Journal of Public Sector Management* 9, 1: 61-70.
- Mellor, T., 1996, "Why Governments Should Produce Balance Sheets", *Australian Journal of Public Administration* 55, 1: 78-81.
- Micallef, F., 1992, "Making Government More Accountable", *Financial Forum* 1, 4: 4.
- Micallef, F., 1997, "AAS,31 — Drawing the Big Picture", *Australian Accountant* 67, 2: 38-9.
- Micallef, F., and G. Peirson, 1997, "Financial Reporting of Cultural, Heritage, Scientific and Community Collections", *Australian Accounting Review* 7, 1: 30-9.
- Micallef, F., P. Sutcliffe and P. Dougherty, 1994, *Financial Reporting by Governments*, Australian Accounting Research Foundation, Melbourne.

- Mignot, H., and C. Dolley, 2000, "Are AAS 29 Financial Statements Useful?", *Accounting Research Journal* 13, 1: 51-61.
- Miley, F., 1999, "An Examination of Whole of Government Financial Reporting", Australian Society of CPAs.
- Monsen, N., 2002, "The Case for Cameral Accounting", *Financial Accountability and Management* 18, 1: 39-72.
- Monsen, N., and S. Nasi, 2001, "Comparing Cameral and Accrual Accounting in Local Governments", in A. Bac (ed.), *International Comparative Issues in Governmental Accounting*, Kluwer Academic, Boston: 135-57.
- Newberry, S., 2001, "Public-Sector Accounting: A Common Reporting Framework?", *Australian Accounting Review* 11, 1: 2-7.
- Newberry, S., 2002a, "The Conceptual Framework Sham", *Australian Accounting Review* 12, 3: 47-9.
- Newberry, S., 2002b, "Intended or Unintended Consequences? Resource Erosion in New Zealand's Government Departments", *Financial Accountability and Management* 18, 4: 309-30.
- Newberry, S., and S. Ellwood, 2004, "Public Sector Accrual Accounting: Institutionalising Neo-Libertarian Principles", APIRA 2004 Conference Proceedings, Singapore.
- Newberry, S., and J. Pallot, 2004, "Freedom or Coercion? NPM Incentives in New Zealand Central Government Departments", *Management Accounting Research*, 15, 3: 247-66.
- Newberry, S., and J. Pallot, 2005, "A Wolf in Sheep's Clothing? Wider Consequences of the Financial Management System of the New Zealand Central Government", *Financial Accountability and Management* 21, 3: 263-77.
- Ng, C., and B. Shead, 1999, "Major Issues Associated with the Reporting of Government Net Worth", *Australian Accounting Review* 9, 3: 61-8.
- NSW Commission of Audit, 1988, "Focus on Reform: Report on the State's Finances", NSW Government Printer, Sydney.
- NSW Public Accounts Committee, 1988, "Report of Proceedings of the Accrual Accounting Seminar", 5 February, NSW Parliament, Sydney.
- NSW Public Accounts Committee, 1992, "Report on Progress of Financial Reform in the New South Wales Public Sector", NSW Parliament, Sydney.
- NSW Public Accounts Committee, 1996, "Pioneers — Progress But at a Price: Implementation of Accrual Accounting in the NSW Public Sector", NSW Parliament, Sydney.
- Olson, O., J. Guthrie and C. Humphrey (eds), 1998, *Global Warning: International Financial Management Changes*, Cappelan Akademisk Forlag, Bergen, Norway.
- OECD, 1993, "Accounting for What? The Value of Accrual Accounting in the Public Sector", Occasional Papers on Public Management.
- Pallot, J., 1990, "The Nature of Public Assets: A Response to Mautz", *Accounting Horizons*: 79-85.
- Pallot, J., 1992, "Elements of a Theoretical Framework for Public Sector Accounting", *Accounting, Auditing and Accountability Journal* 5, 1: 38-59.
- Pallot, J., 1994, "The Development of Accrual-Based Accounts for the Government of New Zealand", *Advances in International Accounting* 7, 2: 289-310.
- Pallot, J., 1997, "Infrastructure Accounting for Local Authorities: Technical Management and Political Context", *Financial Accountability and Management* 13, 3: 225-42.
- Parker, L.D., and G. Gould, 1999, "Changing Public Sector Accountability: Critiquing New Directions", *Accounting Forum* 23, 2: 109-35.
- Pilcher, R., 2000, "AAS27: An Issue of Implementation", *Australian CPA* 70, 2: 54-6.
- Pollitt, C., 2003, "Public Management Reform: Reliable Knowledge and International Experience", *OECD Journal on Budgeting* 3, 3: 121-36.
- Potter, B., 2002, "Financial Accounting Reforms in the Australian Public Sector: An Episode in Institutional Thinking", *Accounting, Auditing and Accountability Journal* 15, 1: 69-93.
- Power, M., and R. Laughlin, 1992, "Critical Theory and Accounting", in N. Alveson and H. Willmott (eds), *Critical Management Studies*, Sage, London: 113-35.
- Prosser, V., 1989, "Accrual Accounting in NSW Deserves Support", *New Accountant* 2, 24: 22.
- Redburn, F., 1993, "How Should the Government Measure Spending? The Uses of Accrual Accounting", *Public Administration Review* 53, 3: 228-36.
- Regan, E., 1987, "Accrual Accounting in Government", in *Can Accrual Accounting Work in Government?*, Australian Society of CPAs, Sydney.
- Roberts, B., 1993, "Towards a More Commercial Focus", in B. Birch (ed.), *Readings in Accounting Developments in the Public Sector 1992-93*, Australian Society of Certified Practising Accountants, Melbourne: 75-88.
- Robinson, M., 1998a, "Accrual Accounting and the Efficiency of the Core Public Sector", *Financial Accountability and Management* 14, 1: 21-37.
- Robinson, M., 1998b, "Measuring Compliance with the Golden Rule", *Fiscal Studies* 19, 4: 447-62.

- Robinson, M., 2002a, "Financial Control in Australian Government Budgeting", *Public Budgeting and Finance*, Spring: 80–93.
- Robinson, M., 2002b, "Accrual Accounting and Australian Fiscal Policy", *Fiscal Studies* 23, 2: 287–300.
- Robson, K., 1987, "Should Accrual Accounting Apply to the Public Sector?", in *Can Accrual Accounting work in Government?*, Australian Society of CPAs, Sydney.
- Rowles, T., 2002, "Heritage Assets Get SACed", *CA Charter*, August: 50–1.
- Rutherford, B., 1992, "Developing a Conceptual Framework for Central Government Financial Reporting, Intermediate Users and Indirect Control", *Financial Accountability and Management* 8, 4: 265–80.
- Ryan, C., 1998, "The Introduction of Accrual Reporting Policy in the Australian Public Sector: An Agenda Setting Explanation", *Accounting, Auditing and Accountability Journal* 11, 5: 518–39.
- Ryan, C., K. Dunstan and T. Stanley, 1999, "Constituent Participation in the Australian Public Sector Accounting Standard-Setting Process: The Case of ED 55", *Financial Accountability and Management* 15, 2: 173–200.
- Ryan, M., 1990, "Pressure on Victoria to Adopt Accrual Accounts", *New Accountant* 3, 20: 1.
- Salinas, F., 2002, "Accrual Budgeting and Fiscal Consolidation in the EMU", *Contemporary Economic Policy* 20, 2: 193–206.
- Scullion, B., 1991, "Accrual Accounting", National Accountants in Government Convention, Gold Coast.
- Shand, D., 1983, "Government Accounting: True and Fair?", Third Coopers & Lybrand Accounting Education and Research Conference, ANU, Canberra.
- Shand, D., 1990, "Australia Moves to Accrual Accounting: Problems and Prospects", in J. Forster and J. Wanna (eds), *Budgetary Management and Control: the Public Sector in Australasia*, Macmillan, Melbourne: 142–50.
- Sharpe, M., 1992, "A Private Sector Prospective of the Need for a Comprehensive and Harmonised Financial Framework", RIPAA Financial Reporting for the Australian Public Sector Conference, Sydney.
- Sheehan, P., 2005, "Accounting for Government Activities in Australia: The State of the Budgets", *Australian Accounting Review* 15, 1: 62–70.
- Stalebrink, O.J., and J.F. Sacco, 2003, "An 'Austrian' Perspective on Commercial Accounting Practices in the Public Sector", *Accounting Forum* 27, 3: 339–58.
- Stanton, P., and J. Stanton, 1997, "Governmental Accounting for Heritage Assets: Economic, Social Implications", *International Journal of Social Economics* 24, 7/8/9: 988–1006.
- Stanton, P., and J. Stanton, 1998, "The Questionable Economics of Governmental Accounting", *Accounting, Auditing & Accountability Journal* 11, 2: 191–203.
- Sutcliffe, P., 1985, "Financial Reporting in the Public Sector — a Framework for Analysis and Identification of Issues", AARF, Melbourne.
- Thompson, G.D., 2001, "The Impact of New Zealand's Public Sector Accounting Reforms on Performance Control in Museums", *Financial Accountability and Management* 17, 1: 5–21.
- Walker, N., 1987, "Accrual Accounting for the Government Sector", Australian Society of Accountants Victorian State Congress, Melbourne.
- Walker, R.G., 1989, "Should There be Common Standards for the Public and Private Sectors?", Research Lecture in Government Accounting, ASA and ANU, Melbourne.
- Walker, R.G., 1995, "What Does It All Mean?", Proceedings of the Seminar on Accrual Accounting — the Scorecard to Date, NSW Public Accounts Committee, NSW Parliament, Sydney: 59–66.
- Walker, R.G., 2002, "Are Annual Reports of Government Agencies Really 'General Purpose' If They Do Not Include Performance Indicators?", *Australian Accounting Review* 12, 1: 43–54.
- West, B., and G. Carnegie, 2004, "Accounting's Chaotic Margins: Financial Reporting of the Library Collections of Australia's Public Universities", APIRA 2004 Conference Proceedings, Singapore.
- Wynne, A., 2003, "Do Private Sector Financial Statements Provide a Suitable Model for Public Sector Accounts?", European Group of Public Administration, Oeiras, Portugal.