

5. Recent Public Financial Management Publications and other Resources

In this section we review some recent publications which may be of interest to readers of the Journal. We would be pleased to receive reviews and suggestions of other resources which we should refer to in future issues.

1. Handbook of Accounting and Development - Hopper, Tsamenyi, Uddin and Wickramasinghe (eds) (2012)
2. INTOSAI - Fundamental Auditing Principles open for consultation
3. Conceptual Framework for Public Sector Financial Reporting - IPSAS Board
4. Poor Economics – Banerjee and Duflo (2011)
5. A Global History of Accounting, Financial Reporting and Public Policy: Asia and Oceania - Previts, Walton and Wolnizer (2011)
6. The International Handbook of Public Financial Management, edited by Richard Allen, Richard Hemming and Barry Potter (2013)
7. The Limits of institutional Reform in Development - Matt Andrews (2013)
8. Volunteer Accountants Needed for Overseas Opportunities

1. Handbook of Accounting and Development

Edited by Trevor Hopper, University of Sussex,
Mathew Tsamenyi, University of Birmingham,
Shahzad Uddin, University of Essex and
Danture Wickramasinghe, University of Glasgow,
Cheltenham: Edward Elgar

This innovative and informative Handbook brings together leading international researchers on accounting and development to review empirical evidence, issues, policies and practices both past and present. It covers the full range of private and public sector accounting and the role of donors and thus provides a good introduction to accounting developments across the Global South.

The perspectives of the expert contributors reflect the strong growth of research on the topic, as accounting is increasingly recognised as an important factor in development. The book draws commentary and analyses together to inform future research, practice and policy and raises awareness of the actual and potential role of accounting in formulating and executing development policy.

With theoretical and empirically focused chapters, this Handbook will appeal to academics and postgraduate students in accounting and development studies, practitioners, policymakers and development partners. We hope that this Handbook will assist with developments in this area and encourage further research in public sector

financial management in the Global South which is reflected in future issues of this Journal.

For more details of this book see:
<http://tinyurl.com/ijgfm2013book2>

2. INTOSAI - Fundamental Auditing Principles open for consultation

The following International Standards of Supreme Audit Institutions (ISSAIs) have been issued by the ISSAI Harmonisation Project Group for public comment:

ISSAI 100 – Fundamental Principles of Public Sector Auditing

ISSAI 200 – Fundamental Principles of Financial Auditing

ISSAI 300 – Fundamental Principles of Performance Auditing

ISSAI 400 – Fundamental Principles of Compliance Auditing

Through the exposure process and the endorsement of the ISSAIs at INCOSAI in October 2013 (Beijing, China), INTOSAI will define a common set of auditing principles and concepts that should be useful and supportive for all INTOSAI members.

The exposure period for comments from all INTOSAI members and other interested parties for all four documents expires on 15 February 2013.

For further details and other documents in this series go to:
<http://www.issai.org/composite-192.htm>

3. Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Chapters 1-4), IPSASB (2013)

This Conceptual Framework underpins the development of International Public Sector Accounting Standards (IPSASs) and Recommended Practice Guidelines (RPGs).

The first four chapters of the Conceptual Framework are:

Chapter 1: Role and Authority of the Conceptual Framework

Chapter 2: Objectives and Users of General Purpose Financial Reporting

Chapter 3: Qualitative Characteristics

Chapter 4: Reporting Entity

These chapters outline the role of the Conceptual Framework in the IPSAS and RPG development process, identify that the primary users of general purpose financial reports (GPFs) of public sector entities are service recipients and resource providers, and clarify that the objectives of financial reporting by public sector entities are to provide information useful to users for accountability and decision making purposes. They also identify the qualitative characteristics of, and constraints on, information included in GPFs and the key characteristics of a public sector reporting entity.

The IPSASB is currently developing other chapters of the Conceptual Framework, which will address the definition, recognition, and measurement of the “elements” (or building blocks) of financial statements, and presentation in GPFs. They will be added to the Conceptual Framework when completed.

<http://tinyurl.com/ijgfm2013ipsas>

4. Poor Economics

Banerjee and Duflo (2011)

We are all signed up to poverty reduction, but do we really understand poverty? This book aims to radically rethink the way we fight poverty.

Why would a man in Morocco who doesn't have enough to eat buy a television? Why is it so hard for children in poor areas to learn, even when they attend school? Does having lots of children actually make you poorer? Answering questions like these is critical if we want to have a chance to really make a dent against global poverty. Based on their work and that of many others, the authors try to do that in their book.

For more than fifteen years Abhijit V. Banerjee and Esther Duflo have worked with the poor in dozens of countries spanning five continents, trying to understand the specific problems that come with poverty and to find proven solutions. Their book is radical in its rethinking of the economics of poverty, but also entirely practical in the suggestions it offers. Through a careful analysis of a very rich body of evidence, including the hundreds of randomized control trials that Banerjee and Duflo's lab has pioneered, they show why the poor, despite having the same desires and abilities as anyone else, end up with entirely different lives.

Poor Economics argues that so much of anti-poverty policy has failed over the years because of an inadequate understanding of poverty. The battle against poverty can be won, but it will take patience, careful thinking and a willingness to learn from evidence. Banerjee and Duflo are practical visionaries whose meticulous work offers transformative potential for poor people anywhere, and is a vital guide to policy makers, philanthropists, activists and anyone else who cares about building a world without poverty.

5. A Global History of Accounting, Financial Reporting and Public Policy: Asia and Oceania

Gary J. Previts (Author, Editor), Peter Walton (Editor), Peter Wolnizer (Editor), Emerald (2011)

The history of accounting is often seen as European, but the precise origin of the double entry accounting records as outlined by Pacioli in 1494 is presently unknown. Historical evidence preserved in Turkey and Egypt indicates that the accounting records developed in the early Islamic State were similar to those outlined by Pacioli. As with the European numbers, the Arabs may have been messengers carrying these techniques from India or even China.

Kautilya, the chief minister to a major King of India, wrote *The Arthashastra*, a fascinating treatise on governance, in the fourth century BC (nearly 2,500 years ago). He emphasized the critical role of independent periodic audits and proposed the establishment of two important, but separate, offices - the Treasurer and Comptroller-Auditor as part of public financial management.

Another source of ancient public sector accounting and audit comes from the Western Zhou dynasty of China (1046–771 BC) around three millennia ago. Annual, monthly and 10-day bookkeeping reports were prepared for the accountability of public officials. These reports were then subject to audit by an official named the *Zaifu* who undertook an early form of auditing.

This book corrects the impression that modern accounting methods were only developed in Europe with chapters on the history of accounting in China, India and other major countries of the region. The chapter on China and other extracts from the book may be viewed at:

<http://tinyurl.com/ijgfm2013china>

6. The International Handbook of Public Financial Management

edited by Richard Allen, Richard Hemming and Barry Potter, Palgrave Macmillan

This volume should be core reading for all donors and practitioners (consultants and local officials) who are seeking to improve and refine public financial management in middle and low-income countries. It is written and edited by some of the world's leading experts on the subject. They acknowledge that public financial management reform takes time, is complex and has to consider the local environment, including key political economy factors. Their contributions, based on their extensive practical experience, will be indispensable for all those involved with such challenges.

This volume is due to be published in April 2013, see:

<http://tinyurl.com/ijgfm2013book1>

7. The Limits of institutional Reform in Development - Matt Andrews (2013)

Developing countries commonly adopt reforms to improve their governments yet they usually fail to produce more functional and effective governments. Andrews argues that reforms often fail to make governments better because they are introduced as signals to gain short-term support. These signals introduce unrealistic best practices that do not fit developing country contexts and are not considered relevant by implementing agents. The result is a set of new forms that do not function. However, there are realistic solutions emerging from institutional reforms in some developing countries. Lessons from these experiences suggest that reform limits, although challenging to adopt, can be overcome by focusing change on problem solving through an incremental process that involves multiple agents.

To be published in March 2013, see:

<http://tinyurl.com/icgfm2013book3>

For another of his papers, “How Far Have Public Financial Management Reforms Come in Africa?” see:
<http://tinyurl.com/icgfm2013book4>

8. Volunteer Accountants Needed for Overseas Opportunities

Accounting for International Development (AfID) arranges tailor-made volunteer placements from 2 weeks to 2 years with charities all over the developing world.

For a better idea of the kind of role you could be performing, read here about our past volunteers:

<http://www.afid.org.uk/interview-stephen-white>