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**The Effect of Alternative
Accounting Bases on the Quality
of Accounting Information from
Stakeholders' Perspective in the
Egyptian Governmental
Universities: An Experimental
Study**

Abstract

The main aim of the study is to study and examine the stakeholders' perception in respect to the effect of alternative accounting bases (cash basis and accrual basis) on the quality of accounting information in the Egyptian governmental Universities. To test the research hypotheses, the study adopted a field experiment approach on a sample of 104 academic accounting staff and their assistances in Damanhur, Alex and Banyswaif universities. The researcher developed two cases related to these two accounting bases and divided the sample into two independent groups which the first group associated with the case of cash basis, whereas the second group associated with the case of accrual basis to test the perception of the participants in each case to the effect of each accounting basis on the quality of accounting information, respectively. Overall results indicate the accrual basis more positively affect the accounting information quality than the cash basis in the

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Egyptian governmental Universities Accordingly, the researcher recommends that the regulators should issue laws and regulations to adopt the principles- based accrual accounting as an instrument to prepare the GPFR in the Egyptian governmental Universities which in turn provide high- quality information and further enhance the financial accountability. The limitations of the research is related to the other accounting bases (Modified cash basis, Modified accrual basis) not considered in the study and the generalizability of the results depends on selecting the research sample.

Keywords: Accrual basis, Cash basis, accounting information Quality, Governmental Universities

أثر اختلاف الأسس المحاسبية على جودة المعلومات المحاسبية من منظور أصحاب المصالح فى الجامعات الحكومية المصرية: دراسة تجريبية

ملخص البحث

استهدف البحث دراسة واختبار إدراك أصحاب المصالح لأثر اختلاف الأسس المحاسبية (الأساس النقدى بوضعه الراهن، وأساس الإستحقاق) على جودة المعلومات المحاسبية فى الجامعات الحكومية المصرية. وتحقيقاً لذلك الهدف استخدم الباحث التصميم التجريبي حيث تم اختبار فرض البحث على عينة من ١٥٤ عضو من أعضاء هيئة التدريس ومعاونيه فى بعض الجامعات الحكومية (وهى؛ جامعة بنى سويف، جامعة الاسكندرية، جامعة دمنهور). وقام الباحث بتصميم حالتين تجريبيتين، تتضمنت الحالة الأولى الأساس النقدى بينما تتضمنت الحالة الثانية أساس الإستحقاق، كما تم تقسيم عينة البحث إلى مجموعتين مستقلتين، تناولت المجموعة الأولى حالة الأساس النقدى، بينما تناولت المجموعة الثانية حالة أساس الإستحقاق لاختبار إدراك المشاركين فى كل الحالة لتأثير كلاً من الأساس النقدى، أساس الإستحقاق على جودة المعلومات المحاسبية على التوالى.

وقد أوضحت نتائج الدراسة وجود أثر إيجابى لأساس الإستحقاق على جودة المعلومات المحاسبية، وبدرجة أكبر، مقارنة بالأساس النقدى من منظور أصحاب المصالح فى الجامعات الحكومية المصرية. وعليه، أوصى الباحث بضرورة اهتمام الجهات التشريعية بإصدار للقوانين والتشريعات لتبنى مبادئ المحاسبة وفق أساس الإستحقاق فى الجامعات الحكومية المصرية باعتبارها أداة لإعداد تقارير مالية ذات غرض العام توفر معلومات محاسبية ذات جودة، مما ينعكس على تعزيز المساءلة المالية لاحقاً.

وتتمثل حدود البحث فى الأسس المحاسبية الأخرى التى لم يتطرق إليها البحث (الأساس النقدى المعدل، أساس الإستحقاق المعدل)، كما أن قابلية النتائج للتعميم مشروطة باختيار عينة البحث.

الكلمات المفتاحية: أساس الإستحقاق، الأساس النقدى، جودة المعلومات المحاسبية، الجامعات الحكومية.

1. Introduction

In contrast to profit-oriented companies, the governmental Universities operate as non-profit organizations and seek to pursue teaching and research services. Due to the social mission of the universities; they should have financial reports provide accounting information with high quality to satisfy their users with different interests (Basnan et al., 2016; Schmidt and Gunther, 2016).

At this point it is worth mentioning that the term "governmental Universities" in this study refers to those universities that are largely financed by the governments; so that they are a part of a public sector¹.

In response to the requirements of governmental Universities users for high quality accounting information, the International Public Sector Accounting Standards board (IPSASB)² defines in its conceptual framework the qualitative characteristics of accounting information that are relevant, faithful representation, comparability, understandability, verifiability and timeliness. In addition it recommends the accrual accounting system rather than cash accounting system (IPSASB, 2018).

On a barrel, there are a large body of the studies (Nkundabanyanga et al., 2013; Grace, 2014; Olayinka et al., 2016; Hadi et al., 2017; Rogosic and Palos, 2017; Cohen and Karatzimas,2017; Okere at al.,2017) have been concerned with assessing and examining the quality of the financial reports in the public entities in general and governmental Universities in specific in context of adoption Cash/Modified cash basis and accrual basis. The results reveal that the movement from cash/modified cash to accrual basis will improve the quality of financial information that are being more relevant,

¹ The term "public sector" refers to national government, regional (e.g., state, provincial, territorial) governments, local (e.g., city, town) governments and their component government entities (e.g., agencies, boards, commissions and enterprises) (IPSASB,2018)

² The IPSASB is part of the international federation of accountants (IFAC) and is responsible for issuing the IPSAS that organize recognition, measurement and disclosure requirements in relation to transactions and events in general purpose financial statements (IPSASB,2018).

have faithful representation, comparable, understandable and timeliness under the accrual than the other bases.

Despite the growing adoption of accrual accounting in world, until now the Egyptian governmental Universities, as a part of public sector, failed in adopt that basis instead of the traditional accounting system in recording its financial events. Therefore, some studies (e.g., Ouda, 2008; Abushamsieh et al., 2014) could have reveal the information provided by the current financial reports of the Egyptian public entities does not satisfy the users' needs due to its lack the quality features.

Therefore, this study concerned with the assessment of the quality of accounting information in light of the major changes in two forms of financial reporting models for Egyptian governmental Universities, the first model based on cash basis (i.e. the existing accounting basis), and the second model based on accrual basis. In this context, this study addresses one question states have the alternative accounting bases –accrual basis or cash basis been affecting the quality of accounting information at the Egyptian governmental Universities?

This study is based on a field experimental design to investigate the effect of alternative accounting bases on the quality of accounting information in Egyptian governmental Universities. At the same time, it used a questionnaire with a sample consists of academic accounting staff and their assistances in Damanhur, Alex and Banyswaif universities to obtain the data by the participants in the experiment that were divided into two independent groups; 53 participants assigned to cash basis, while 51 participants assigned to the accrual basis. The statistical tool employed was the Mann–Whitney test. Results from the experiment indicated that there is a positive and higher effect of accrual basis on the quality of accounting information in Egyptian governmental Universities than current cash basis.

The contribution of this research stems from the need to shed light on the significant deficiencies in the quality of Egyptian public financial reports using qualitative characteristics of information approach as a result of adopting the traditional accounting basis– cash accounting basis– rather than the accrual

accounting basis during preparing the financial reports. In addition the researcher used a field experiment methodology to achieve the objective of this study in the Egyptian Governmental Universities context as a part of public sector. This will lead to enriching the accounting literature in this field in the higher education sector in Egypt.

In respective of practical importance, the developing of the financial accounting system in the Egyptian governmental Universities can be used as a basic tool for auditing the finances of these universities, and for providing more relevant financial information to its stockholders especially the donors and the international agencies to provide aids to finance the educational and research activities.

The reminder of this study is organized as follows: the first section is background and theoretical framework that is the literature reviews and hypothesis formulation. The second section is the effect of alternative accounting bases on the quality of accounting information in the Governmental Universities, the third section is data and methodology, the fourth section presents the study results and the discussion of this results, finally the fifth section provides the conclusions and recommendations.

2. Theoretical Framework and Hypothesis Development

2.1 The accounting bases in the Public sector

Compared with the accounting system of private firms, those of governmental Universities interested in providing different types of information to its public stakeholders (i.e., the authorities, the parliament, Civilian social organization and academics), the university managers, academics, students and other stakeholders such as the resource providers (i.e. Education loans, research grant providers) and the university suppliers (Basnan et al., 2016; Schmidt and Gunther, 2016). Therefore the accounting system of the governmental Universities as a part of public entities should provide comprehensive information (financial and non-financial) with high quality to support decision-making and discharge the accountability by their users (IPSASB, 2018).

Due to this study sheds light on the objectives of the financial reporting system of the governmental Universities; the researcher analyzed the public sector accounting literatures that interested in the accounting bases alternative and its implications on the quality of the financial reporting.

Regarding the alternative accounting bases, the study 1 of the public sector committee (PSC) of the international federation of accountants (IFAC) identified four alternatives of accounting bases namely the cash basis, and modified cash basis, modified accrual basis, accrual basis¹. Under the cash basis, transactions and events are recognized only when cash has been received or paid, while the modified cash basis takes into account the unpaid accounts and/or receivable at year end (e.g., around one month). In the accrual basis, transactions and events are recognized in the periods in which they occur, irrespective of whether or not cash has been received or paid, while the modified accrual basis recognizes transactions and other events on an accrual basis, but not certain class of assets or liabilities (IFAC (PSC), 1991). Within this context, the PSC published the study 11 covering some topics such as the benefits and limitation associated with these bases especially the cash and accrual bases.

Regarding the benefits and limitations of cash basis, IFAC (PSC), (2000) indicates that the cash accounting provides information allows both the legislature and the government to monitor spending against cash-based appropriations for both internal management and for external accountability. As well as there is no need for preparers to exercise any judgment when determining the amounts of cash flows for the period and the cost of providing cash information is thought to be lower than under alternative bases. Despite of the simplicity of adopting the cash accounting, it limits the ability of the electorate to hold the government accountable for its management of assets and liabilities which the financial accountability under this basis is limited to the resources of cash in and cash out as well as cash accounting can't provide information relating to the entire cost of providing

¹ The researcher used the accrual basis term to refer to full accrual basis.

public services (IFAC (PSC), 2000; Zarandi et al., 2013; Surepno, 2015; Opanyi, 2016).

Compared with the cash accounting, the accrual based-governmental financial reports can assist users for accountability towards using of all resources and the managing all assets and liabilities recognized in the financial statements of the entity and the decisions making (e.g., providing resources to the entity), due to they provide useful information in assessing the entity's performance in terms of service cost; efficiency and accomplishment and in assessing its balance sheet and its cash flows (IFAC (PSC), 2000; Zarandi et al.,2013; Surepno, 2015; Heshmat et al.,2015).

Despite the benefits of accrual accounting, there are also drawbacks. It may be difficult to the governments to adopt this basis due to there are some costs associated with introducing accrual accounting include the costs of identifying and valuing existing assets, developing accounting policies, establishing accounting systems (e.g. the purchase of computer systems and pilot testing the system) and the development of skills and training for both the preparer and users of financial information (IFAC (PSC), 2000).

Within this context, the study of Azmi and Mohamed, (2014) interested in determining the readiness of the employees in the Malaysian ministry of education (MOE) for the implementation the accrual accounting, the major concerns together with challenges in moving from cash accounting to accrual accounting. Their results showed that the accounting employees are ready to change their mind set and implement accrual accounting, but there are challenges that need to be rectified before it can proceeds such as the lack of training provided, difficulties in collection data of asset and the lack of knowledge in addition the current staff are not qualified and skilled in dealing with implementation of accrual accounting.

2.2 Concept and determinants of accounting information quality in the public sector

The accounting information included in general purpose financial reports (GPFRs) of public entities must possess its qualities to be useful for accountability and making decisions purposes. Therefore the qualitative characteristics of accounting information are discussed in the conceptual framework developed by the IPSASB which listed these characteristics are relevance, faithful representation, understandability, timeliness, comparability, and verifiability.

The conceptual framework of IPSASB defines the qualitative characteristics as follows: First, the relevance of information refers as the ability of financial and non-financial information to make a difference in the decisions and discharge the accountability by their users. That is attained when the information has predictive value, confirmatory value or both. Predictive value generally means that the accounting information (financial and non-financial) has the ability to forecast future. For example, the forward-looking information about the entity's ability to respond to changing circumstances and anticipated future service delivery needs. In addition to Predictive value, information has confirmatory value if it confirms or changes past (or present) expectations based on previous evaluations. For example, information confirms or changes financial results of public entities. Second, the faithful representation is attained when the depiction of the phenomenon is complete, neutral, and free from material error. Third the understandability is enhanced when information is classified, characterized, and presented clearly and concisely. Forth Comparability¹ is defined as the quality of information that enables users to identify similarities in, and differences between two sets of phenomena. Fifth the timeliness characteristic means having information available for users before it loses its capacity to be useful for accountability and decision-making purposes. Sixth the verifiability of

¹ Comparability differs from consistency which the later refers to the use of the same accounting principles or policies and basis of preparation, either from period to period within an entity or in a single period across more than one entity (IPSASB, 2017)

information means the quality of information that helps assure users that information in GPFs faithfully represents the phenomena that it purports to represent.

Compared with conceptual framework developed by IASB/FASB in 2010, it showed that the qualitative characteristics of accounting information are almost identical to the ones identified for the public sector except the IASB/FASB differentiates between these characteristics in terms of the fundamental (i.e. relevance and faithfulness) and enhancing (i.e., comparability, understandability, verifiability, and timeliness) characteristics, however the IPSASB does not assign priorities among qualities.

In terms of the determinants of accounting information quality, they are classified into four groups; first group related to governmental accounting information system quality factor (Fitriati, 2017; Susanto and Meiryani, 2018; Al-Hashimi, 2019), second group related to the effectiveness of internal control system factor and internal auditing (Afiah and AZwari, 2015; Handayani et al., 2020), Third group related to the adoption of accrual-IPSASs factor (Hidayah and Zarkasy, 2017; Suliyantini and Kusmuriyanto, 2017; Muraina and Dandago, 2020), finally; fourth group related to human resources competency factor (Nirwana and Haliah, 2018, Handayani et al., 2020)

2.3 The Relationship between the alternative accounting bases and the quality of accounting information in the Governmental Universities and hypothesis development

The quality of public financial reporting has remained an issue of major concern among the public sector accounting bodies and researchers. This is due to the fact that the financial reporting has been a principle means of communicating the results of transactions and events which transpired within the organization to the outsiders who may use such information in making effective decisions and assessing the government's public accountability about the financial affairs and resources entrusted to it (Nkundabanyanga et al., 2013; Zarandi et al., 2013; Grace, 2014; Udeh and Sopekan, 2015; Olayinka

et al., 2016; Opanyi,2016; Hadi et al., 2017; Rogosic and Palos, 2017; Cohen and Karatzimas,2017; Gamayuni,2018; Karunia et., 2019).

In this domain, according to (IFAC (PSC), 2000), the cash-based financial reports may be timelier than under bases of accounting, and it may also have high levels of comparability in case of the cash flows are uniform over time. However Zarandi et al. (2013) found that the accrual basis is more informative, comprehensive, and provides better comparative results than cash basis. In addition, the study of (Njuguna, 2014) found that the adoption of accrual accounting improved the consistency, comparability of financial information thereby improved liabilities management and better asset management (i.e. improved the government's financial management decisions). Moreover, it may not be easy for users to understand due to the practice of reporting receipts and payments (i.e. the statement of cash flow¹) in great detail as well as the cash-based information may be less relevant for decision makers due to the lack of information about the assets and liabilities. (IFAC (PSC), 2000)

By considering the importance of the public financial reporting quality, the effect of accounting standards for public entities (IPSAS) must be taken into account. In this context, the IPSASB acknowledges that the governments have the right to establish accounting standards for the presentation of financial statements, and therefore issued IPSAS for both accounting systems (i.e. accrual-basis IPSAS and cash-basis IPSAS)². However, IPSASB promotes using accrual-basis IPSAS (thereafter IPSAS) to improve the quality of financial reporting by the public entities. As far as adoption IPSAS is concerned, (Nkundabanyanga et al., 2013) found that these accounting standards are positively and significantly associated with the quality of financial reporting of water and environment ministry which there is enhancement in the quality of comparability, accuracy, reliability, relevance and understandability characteristics, also the study of (Bukonya, 2014) found that

¹Cash flow statement does not classified into groups (Surepno, 2015).

²IPSASB (2018) developed a set of accounting standards based on the accrual accounting and one standard based on cash accounting.

the relevance, reliability, understandability, accuracy and timeliness characteristics improvement which reflected in higher levels of the Uganda's public sector financial performance.

In context of the public sector in Nigeria, the studies of (Udeh and Sopekan, 2015; Olayinka et al., 2016) found the adoption of IPSAS has a significant positive impact on the overall quality of financial reporting compared with cash accounting in terms of the value relevance, comparability and full representation in the Nigerian public sector. In addition the adoption of IPSAS impact positively on reliability, credibility and integrity of financial reporting (Okere et al., 2017).

Contrary to the results of previous studies showing the positive effect of adoption IPSAS and the quality of accounting information, the Opanyi (2016) study found that the adoption of IPSAS is adjudged to have moderate effect on the quality of financial reports in Kenyan public sector which the quality of understandability characteristic declined compared with the quality of characteristics of relevance, faithful representation, comparability and timeliness.

According to Rogosic and Palos (2017), the transition from cash-based accounting to accrual-based accounting in Croatian public sector is necessary to increase its efficiency and effectiveness that leads to higher transparency of financial reporting.

Meanwhile the results of (Gamayuni, 2018 and Karunia et.al, 2019) revealed that Indonesian Accrual based government accounting standards (SAP) implementation cannot improve the quality of financial reporting (such as relevant, reliable, comparable and understandable) because the new accrual-based SAP just has been implemented on a mandatory in 2015 (just only for a year), so many officials have not yet understood well this accrual-based application.

Concerning the quality of accounting information under modified cash basis as an interim step after cash and before accrual accounting adoption, the study Heshmat et al. (2015) found that the quality of accounting information in the municipalities is increased due to a change in accounting basis from

adjusted cash basis to accrual basis in one side, further the findings of (Cohen and Karatzimas, 2017) revealed that the movement to modified cash basis improved the qualitative characteristics of accounting information at the Greek central government level, but it must be considered the quality of modified cash-based financial statements seems to be affected by the perceived of the relevance and understandability of their content while faithful representation does exert an influencing effect. This could be interpreted as faithful representation being considered a "sine qua non" characteristic of the financial statements.

In spite of many countries have carried out reforms in the area of governmental accounting by adopting accrual basis, others are still using the cash/ modified cash basis especially in the Arab countries like Egypt where the governmental accounting system operates according to the accounting principles and procedures included in the Egyptian governmental accounting law no 127 of 1981 that later modified by law No.35/2009

According to Ouda (2008) study; there are some practical barriers do have an overwhelming impact on the transition to accrual accounting in the central government of Egypt such as the lack of generally accepted government accounting standards, management culture, legal barriers and political factors, Which in turn leads to have financial reports present a low level of public financial information contrasting them with the financial statements and contents proposed in (IPSAS) (Abushamsieh et al., 2014).

In sum, the results of the previous studies indicate the importance and role of accrual basis compared to cash/modified cash basis in improving the quality of general purpose financial reports of public entities in general and governmental Universities in specific. Therefore the central hypothesis was formulated as follows:

H1: The accrual basis more positively affects the quality of accounting information than the cash basis in Egyptian governmental Universities.

3-Methodology

This section describes of the methodology that was employed to test the study hypothesis including population and sample selection, study variables,

study experiment design and data collection, statistical methods, the results and discussion as follows:

3.1 Population and Sample selection

Talking into account the defined objectives of this study, thereby the target population represented in the stakeholders in Egyptian governmental Universities including the authorities, the parliament, the university managers, academics and other stakeholders such as the resource providers (grant providers) and the university suppliers. However the researcher employed Purposive sampling consisted of 104 accounting staff and their assistances in some Egyptian governmental Universities namely Damanhur, Alex and Banyswaif universities, due to their familiarity with accounting affairs.

In order to test the study hypothesis, the sample of the study was split into two groups: one receiving accrual based- financial reports "group 1" (n1=51) and the other cash based- financial reports of Damanhur University "group 2" (n 2=54).

3.2 Measurement of variables

- Accounting bases

Concerning the *accrual basis*, according to Mignot, (1996), the researcher developed accrual based- financial reports of a given Egyptian public university ("X" university) composed of the financial statements and notes as well as the management discussion and analysis (MDA) as supplemental information in the university's financial reporting model (Appendix I) using the guidelines of governmental accounting standards board (GASB¹) statement No.34, "*Basic financial statements-and management's discussion and analysis-for State and Local Governments*", as amended by GASB No.35, "*Basic financial statements-and management's discussion and analysis-for public colleges and universities*."

¹ The governmental accounting standards board (GASB) was formed in 1984 to establish accounting standards for state and local governments.

Concerning the *cash basis*, the study used the existing financial reports of Damanhur University that are composed of the Receipts and payments statement and notes for the year ended 30 June 2018 (Appendix II)

- **Quality of accounting information**

In order to evaluate the quality of accounting information, ordinal variables were used based on the likert rating scale of 5 points (1-"totally agree" to 5- "totally disagree"). These variables reflected the qualitative characteristics of accounting information, similar to the studies Tooley and Hooks(2010), Nkundabanyanga et al (2013), Cohen and Karatzimas(2017) and Hadi et al. (2017).

3.3 Research experiment

According to Mignot, (1996) and Cohen and Karatzimas,(2017), the study depended on the field experimental design that included two independent scenarios relating to two different accounting bases (i.e. accrual basis and cash basis) inherent with questionnaire (i.e. instrument) that was divided into three parts in respect to two bases. The first part under two bases includes personal data, which represented in the name, qualifications. The second part in respect to the accrual basis case included a set of technical terms related to the financial reporting framework of governmental Universities, accounting policies, accounting estimations, depreciation expenses of fixed assets and its accumulated depreciation, gains and losses, inventory, advances and accruals for revenues and expenses of the university. However in respect to cash basis included information about Damanhur University. The third part of the instrument in respect of the accrual basis described the recognition, measurement and disclosure requirements that were implemented by the management of "X" university as well as the components of accrual- based financial reports. However in respect to cash basis included the components of financial reports of Damanhur University.

3.4 Data collection and analysis

The study is based on primary data gathered from the participants in the experiment using questionnaire implied 11 questions addressed the quality

attributes of public accounting information. The researcher distributed this questionnaire to the potential respondents by e-mail as an online questionnaire and by face-to-face by hand to avoid biasness from any single source of data (Abang' a, 2017).

The questionnaire consists of questions that are related to the quality of accounting information provided by the financial reports of the University as identified in the literature. Likert five point scales ranging from 1-5 (Totally disagree =1, disagree =2, neutral =3, agree =4 and Totally disagree =5) were used as a basis of the questions.

Given the need to enhance the credibility of the findings, the Cronbach's α was used to test for validity and reliability under two accounting bases (i.e. accrual basis and cash basis).

3.5 Statistical methods

The univariate and bivariate techniques of statistics were used in order to analyze the results obtained and test the hypothesis of the study respectively. The univariate analysis consisted in carrying out-for quality accounting information variable the determination of measures of central tendencies (mean) and measures of dispersion (std deviation, minimum, maximum). Due to the measurement of the quality of accounting information relied upon the ordinal scale; the bivariate analysis consisted in the application of the independent samples Mann-Whitney test, which is based on median values.

4- Results and Discussions

4.1 Results

Concerning the reliability and validity of the instrument, the results showed that $\alpha = ,901$ for the accrual based-financial reports and ,932 for the cash basis based-financial reports which lead to the conclusion that the reliability of the questionnaire is quite acceptable and that its content is very good for evaluation the quality of accounting information.

Concerning the results obtained in the descriptive analysis, the mean value (equal to 3.4) indicated that there is moderate increase in the quality of financial reports prepared under accrual basis opposed to cash-basis. However

the result obtained from the application of the Mann-Whitney test ($\alpha = .000$, $p > .05$) as shown in table.1 indicated statistical significant differences between the two distinct groups due to the accounting bases change which participants received accrual- based financial reports of a given public university have perceived high reporting quality in terms of relevance, faithfulness, understandability, comparability, timeliness, as opposed to those received the financial reports of Damanhur University prepared under the cash basis. Thus, H1 was supported, in other word; there is positive and higher effect of accrual basis on the quality of accounting information than the former accounting basis "i.e. cash basis" in Egyptian governmental Universities.

Test Statistics

	Information Quality
Mann-Whitney U	315.000
Wilcoxon W	1746.000
Z	-6.747-
Asymp. Sig. (2-tailed)	.000

4.2 Discussions of the results

This study examines the perceptions of the Egyptian governmental Universities stakeholders in regard to the quality of financial reporting under both cash and accrual bases, especially their stakeholders have the rights to access to accounting information possess its qualities to be useful for discharging accountability in one side and making effective decisions on the other. The researcher depended on field experiment methodology to test the study hypothesis on a sample composed of two distinct groups totaled 104 of accounting staff and their assistances) in three governmental Universities that are Damanhur, Alex and Banyswaif universities. Also this study used the qualitative characteristics of accounting information approach to assess the quality of the financial reports under two accounting bases. Finally the results indicate that the academics sample attributed a higher quality to accrual basis

information than cash basis information in the Egyptian governmental Universities.

The results of this study are consistent with the findings of previous studies (e.g.; Hadi et al., 2017; Rogosic and Palos, 2017; Cohen and Karatzimas, 2017; Gamayuni, 2018) that revealed a positive and higher effects of accrual-based IPSAS on the public financial reporting quality compared to the other accounting bases. Meanwhile the results of Gamayuni, (2018) demonstrated the Indonesian accrual based SAP implementation cannot improve the quality of financial reporting due to the lack of skills and educational background of information preparers during the implementation of these standards.

In brief, the results indicate that the implementation of accrual basis accounting in the public sector generates qualified financial reports as a results of the improvement in the qualitative characteristics of accounting information compared to the other accounting bases

5- Conclusions and recommendations

5.1 Conclusion

The researcher concludes from the foregoing results that newly developed financial reports of the Egyptian governmental Universities under accrual principles have the capability to improve the quality of accounting information in terms of the attributes of the qualitative characteristics.

There are number of limitations to this study that should be taken into consideration when interpreting these findings. The sample size is relatively small as well as it does not include the other stakeholders of Egyptian governmental Universities especially there may be differences between the oversight boards, the legislators, rectors and donors' perceptions on the quality of accounting information under both the existing accounting basis and accrual basis. Moreover the findings of this study may not be generalizable to other populations in general, due to adopting of the experimental designs.

5.2 Recommendations

Based on the findings, the study therefore recommends that there should be joint efforts between the parliament and the ministry of finance to reform the

Egyptian public sector accounting system through the adoption of an accrual accounting principles, such as IPSAS, to achieve high level of quality in the financial reporting information, thereby making effective decisions and ensuring the fair judgments from stakeholders.

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Appendix I

Suggested Financial Reports Format of Egyptian Public "X" University for fiscal year 2018

Table of contents:

- 1- Management's discussion and analysis (Unaudited)
- 2- Financial Statements: (Audited)
 - Balance Sheets.
 - Statements of Revenues, Expenses, and Changes in Net position
 - Statements of Cash Flows.
 - Summary of accounting policies and estimates in accordance with the accrual basis
- 3- Auditor's opinion on the above Financial Statements was unqualified.

Management's discussion and analysis

The management's discussion and analysis (MD&A) provides an overview of the balance sheet and activities of "X" university (university) for the fiscal year ended June 30, 2018, and should be read in conjunction with the financial statements and notes thereto. The (MD&A), financial statements and notes thereto are the responsibility of university management. The (MD&A) contains financial activity of the university for the fiscal years ended June 30, 2018 and June 30, 2017.

Financial Highlights for fiscal year 2018

The university's assets totaled L.E149 million at June 30, 2018. This balance reflects a L.E 36 million or 31 percent as compared to L.E 113 million at June 30, 2017 resulting from an increase in construction projects including campus developments. Liabilities increased slightly compared to the previous year by L.E 1.4 million, or 5 percent, where liabilities totaled L.E 29 million and L.E 28 million at June 30, 2018, at June 30, 2017 respectively. As a result,

the university's net assets increased by L.E 28 million, resulting in a year-end balance of L.E 112 million.

The university's operating revenues and resources totaled L.E 131 million for the 2017-2018 fiscal year, representing a 9 percent increase over the 2016-2017. Operating expenses totaled L.E 567 for the 2017-2018 fiscal year, an increase of 20 percent over the 2016-2017 fiscal year due mainly to an increase in Compensation and Employee benefits.

Overview of Financial Statements

The university's financial report includes three basic financial statements: The statement of balance sheet; the statement of Revenues , expenses, and changes in net asset; and the statement of cash flows.

The statement of balance sheet reflects the assets, and liabilities of the university, using the accrual basis of accounting, and presents the balance sheet of the university at a specified time. Assets less liabilities, equals net position, which is one indicator of the university s current financial condition. The changes in net asset that occur over time indicate improvement or deterioration in the university's financial condition.

The following summarizes the the university's assets, liabilities, and net position at June 30

	June 30,2018 L.E 000	June 30,2017 L.E 000
Assets		
current assets	45.808	34,330
Capital Assets, Net	102,866	78,921
Total Assets	148.674	113.251
Liabilities		
Current liabilities	29.424	28.299
Noncurrent liabilities	1.270	975
Total liabilities	30.694	29.274
Total net position	111.970	83.977

Total assets as of June 30, 2018, increased by L.E 36 million, or 31 percent. Capital assets increased L.E 24 million due to an increase in construction projects of L.E 12 million. Total liabilities remained consistent with prior year.

The Statement of Revenues, Expenses and Changes in Net Position

The Statement presents the university's revenues and expenses activity, categorized as operating and no operating. Resources and expenses are recognized when incurred regardless of when cash is received or paid.

The following summarizes of the university's activity for the 2017-18 and 2016-17 fiscal years:

**Condensed statement of Revenues, Expenses and change in net
Position for the Fiscal Years
(In thousands)**

	June 30, 2018	June 30, 2017
	L.E 000	L.E 000
Operating revenues	130.860	119.500
Operating expenses	(591.695)	(472.910)
cost of services (Operating loss)	(460.835)	(353.410)
Net non-operating revenues	488.828	378,110
Net increase in Net Position	27.993	24,700
Net position, (beginning of year), as restated	83.977	59.277
Net position, end of year	111,970	83,977

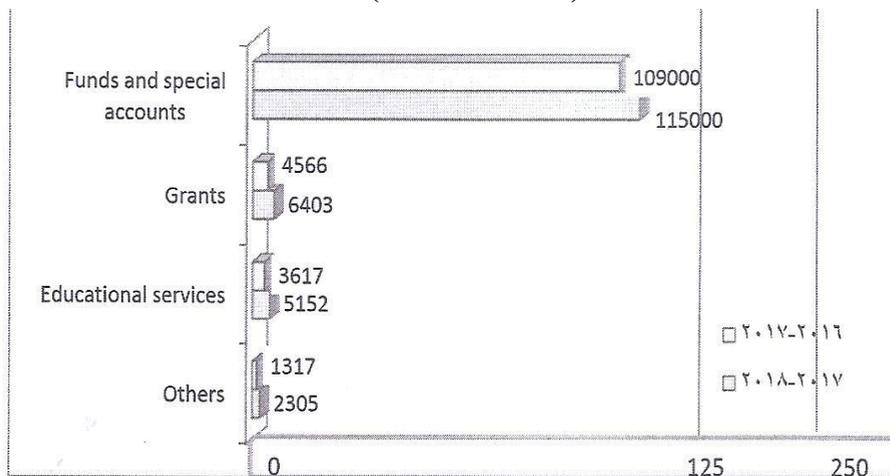
The concept of operating revenues and resources generally result from exchange transactions where each of the parties to transaction either gives up or receive something either of equal value in respect of operating revenues or at less than its value in respect of operating resource (i.e. education services).

The following summarizes the operating revenues and resources balances by source that were used to fund operating activities for the 2017-2018 and 2016-2017 fiscal year:

	June 30, 2018	June 30, 2017
	L.E 000	L.E 000
Operating revenues and resources		
Education services	5.152	3.617
Special accounts and funds	115.000	109.000
Grants	6.403	4.566
Other revenues	2.305	1.317
Total Operating revenues and resources	130.860	119.500

The following chart presents an overview of university's revenues and resources for the fiscal year ended June 30, 2018 and June 30, 2017.

Operating revenues (In thousands)



Total operating revenues and expenses increased L.E 11.4 million or 9.5 percent. Funds and special accounts increased L.E 6 million, or 6 percent.

Operating Expenses:

Expenses are categorized as operating or non-operating. The majority of the university's expenses are operating expenses. Similar to GASB Statement No.35 that gives financial reporting entities the choice of reporting operating expenses in the functional or natural classifications, the university has chosen to report the expenses in their natural classification on the statement of financial performance and change in net position and has displayed the functional classification in the notes to financial statements.

The following summarizes the operating expenses for each method of classification for the fiscal year ended June 30, 2018 and June 30, 2017.

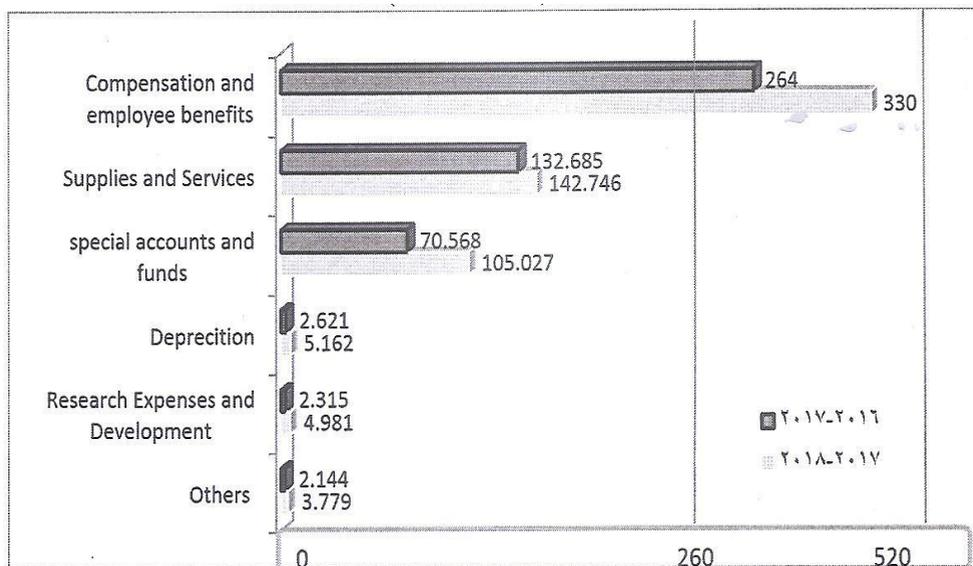
Operating Expenses (In thousands)

	June 30, 2018 L.E 000	June 30, 2017 L.E 000
Natural Classifications		
Employee compensation and benefits	330.000	264.000
Services and supplies	142.746	132.685
Special accounts and funds	105.027	70.568
Depreciation expenses	5.162	2.923
Scholarships expenses	4.981	2.315
Other expenses	3.779	2.144
Total Operating expenses	(591.695)	(472.910)

Functional Classifications:		
Instruction	258.132	185.000
Academic support	47.794	32.158
Research	39.000	21.094
Public services	4.981	2.142
Operation and maintenance of plant	240.928	211.143
Student services	7.660	5.100
Depreciation	5.162	2.923
Total Operating expenses	(591.695)	(472.910)

The following chart presents the university's expenses for the fiscal year ended June 30, 2018 and June 30, 2017.

Operating Expenses (In thousands)



Operating expenses totaled L.E 567.3 million for the 2017–2018 fiscal year. This represents L.E 94.4 million or 20 percent increase over 2016–2017 fiscal year. The increase in compensation and employee benefits of L.E 65 million or 25 percent was primarily due to an increase in salaries. The increase in services and supplies of L.E 12.1 million or 7 percent, was primarily due to an increase in capital assets purchased

Government's appropriations

The university relies on government's appropriations –that are determined by the ministry of finance– to provide funding for operations including the public treasury in respect of current transactions and the national investment bank in respect of capital assets transactions (i.e. purchasing or constructing a fixed asset). The following summarizes the university's appropriations for the fiscal year ended June 30, 2018 and June 30, 2017:

**Government's appropriations
(In thousands)**

	June 30, 2018 L.E 000	June 30, 2017 L.E 000
Government's appropriations		
Current Financing by the Public Treasury	451.283	346.410
Capital Financing by the National investment bank	18.552	11.418
Total Government's appropriations	445.402	357.828

The appropriations in respect to the current transactions of the university increased by L.E 87.574 million ,or 25 perecent, primarily due to an increse in employee compensation and benefits and supplies and expenses of L.E 46 million and L.E10 million repectively. In addition the university received L.E 16.418 million by the National investment bank to finance the project of building new faculty, especially an engineering faculty.

Nonoperating Revenues and expenses

The university relies on some certain revenue sources to fund its operations, including Government's appropriations, capital donations, non-capital, grants and gifts. On the other side,the non operating expenses include loss on disposal of capital assets. The following summarizes the university's non-operating revenues and expenses for the fiscal year ended June 30, 2018 and June 30, 2017:

Nonoperating Revenues and expenses (In thousands)

	June 30, 2018 L.E 000	June 30, 2017 L.E 000
Non-operating revenues and expenses		
Current Financing by the Public Treasury	451.283	346.410
Capital Financing by the National investment bank	18.552	11.418
Non Capital Grants and Gifts	3.900	2.882
Capital Donations	13.200	7.900
Other non-operating Revenues	15.300	13.700
Loss on disposal of capital assets	(1.563)	-----
Other non- operating Expenses	(6.080)	(4.200)
Net Non-Operating Revenues	488.828	378.110

Net non-operating revenues increased by L.E 1.289 million, or 7 percent, primarily due to an increase in capital donations of L.E 5.300 million. Concerning the non operating expenses, they remained consistent with prior year.

The Statement of Cash Flows

The statement of cash flows provides information about the university's financial results by reporting the major sources and uses of cash. This statement will assist in evaluating the university's ability to generate net cash flows, and its ability to meet its financial obligations as they come due, and its need for external financing. Cash flows from operating activities show the net cash used by the operating activities of the university. Cash flows from capital financing activities include all plant funds, while Cash flows from non-capital financing activities include cash provided by the public treasury. Cash flows

from investing activities show the use of cash related to purchasing or selling investments.

The following summarizes cash flows for the fiscal year ended June 30, 2018 and June 30, 2017:

	June 30, 2018	June 30, 2017
	L.E 000	L.E 000
Net cash flows used by Operating Activities	(433.544)	(334.769)
Net cash flows from capital financing activities	800	202
Cash flows provided by non-capital financing activities.	433.959	335.653
Cash flow from investing activities	5.500	3.594
Net increase in cash	6.715	4.680
Cash at beginning of the year	5.870	1.190
Cash at ending of the year	12.585	5.870

Cash increased L.E 6.7 million. Cash used by operating activities increased by L.E 71.4 million compared to fiscal year 2016-2017 due primarily to a L.E 65 million increase in cash payments to employees for compensation. Cash inflows from noncapital financing activities increased by L.E 85.440 million primarily due to increases in government non capital appropriations. Cash used by capital financing activities increased by L.E 588 thousand due to an increase in proceeds offset selling some short term investments.

Capital Assets of the university

Capital Assets of the university:

At June 30, 2018, the university had L.E 24 million in capital assets (net). The following table summarizes the university's capital Assets for the fiscal year ended June 30, 2018 and June 30, 2017:

	June 30, 2018	June 30, 2017
	L.E 000	L.E 000
Non-current Assets		
Lands	9,558	8,645
Building (net)	62,731	59,683
Equipment (net)	6,453	3,328
Transportation (net)	1,270	952
Furniture (net)	5,143	5,000
Construction in progress	17,129	5,289
Other non-current assets	582	524
Total Non- Current Assets	102,866	78,921

Balance sheet statement at 30 June 2018

	June 30, 2018 L.E 000	June 30, 2017 L.E 000
Assets		
Current assets:		
Cash	12,585	5,870
Account Receivable	2,111	1,667
Inventory	22,435	21,211
Advanced expenses	89	66
Investments	7,000	5,000
Predecessors	140	100
Other current assets	488	416
Total current assets	45,808	34,330
Non-current Assets		
Lands	9,558	8,645
Building (net)	60,000	59,683
Equipment (net)	5,453	3,328
Transportation (net)	5,143	5,000
Furniture (net)	1,270	952
Construction in progress	17,129	5,289
Livestock wealth	3,731	2,683
Other non-current assets	582	524
Total Non- Current Assets	102,866	78,921
Total Assets	148,674	113,251
Liabilities		
Current liabilities:		
Account payables	11,642	13,131
Accrued Rents	2,374	1,130
Accrued Expenses	9,236	4,670
Due to private units	6,153	6,670
Duties to the others	4,153	3,353
Other current liabilities	19	15
Total current liabilities	29,424	28,299

Non-current liabilities		
Long term loans	147	132
Other liabilities	1,113	843
Total non-current liabilities	1.270	975
Total liabilities	30,694	29,274
Net position	111,970	83,977

Revenues, Expenses and changes in net Position statement for the year ended 30 June 2018

	June 30,2018	June 30,2017
	L.E 000	L.E 000
Operating Revenues		
Education services	5.152	3.617
Funds and Special accounts	115.000	109.000
Grants	6.403	4.566
Other revenues	2.305	1.317
Total Operating revenues	130.860	119.500
Operating expenses		
Employee compensation and benefits	330.000	264.000
Services and Supplies	142.746	132.685
Depreciation Expenses	5.162	2.923
Scholarships Expenses	4.981	2.315
Other expenses	3.779	2.144
Funds and Special accounts	105.027	70.568
Total Operating Expenses	(591.695)	(472.910)
Net operating losses	(460.835)	(353.410)
Non-operating revenues and expenses		
Current Financing by the Public Treasury	451.283	346.410
Capital Financing by the National	18.552	11.418

investment bank		
Non Capital Grants and Gifts	3.900	2.882
Capital Donations	13.200	7.900
Other non-operating Revenues	15.300	13.700
Loss on disposal of capital assets	(1.563)	-----
Other no operating Expenses	(6.080)	(4.200)
Net Non-Operating Revenues	488.828	378.110
Net increase in Net Position	27.993	24,700
Net position (beginning of year)	83.977	59.277
Adjustments to beginning net position	-----	-----
Net position, (beginning of year), as restated	83.977	59.277
Net position, end of year	111,970	83,977

Cash Flows Statement For the year ended 30 June 2018

	June 30, 2018 L.E 000	June 30, 2017 L.E 000
Cash flow from operating activities		
Receipts		
Education and teaching services	4.120	3.195
Other services activities	3.400	2,562
Receipts from international agencies	10.868	3.195
Funds and Special accounts	59.961	58.204
Payments		
Compensation and Employee benefits	(294.183)	(231.796)
Services and supplies	(126.159)	(23.796)
Social benefits and grants	(3.198)	(2.144)
Other payments	(3.349)	(2.649)
Net cash flows used by Operating Activities	(433.544)	(334.769)
Cash flow from non-capital financing activities: (mostly the state		

appropriations of "X" university		
Receipts from the public treasury.	433.959	335.653
Cash flows provided by non-capital financing activities	433.959	335.653
Cash flow from Capital financing activities		
Construction of assets payments	(11.552)	(5.418)
Land purchases payments	(7.000)	(4.000)
Receipts from equipment selling	800	202
Receipts from the national investment bank.	18.552	11.418
Net cash flows from capital financing activities	800	202
Cash flow from investing activities		
Selling short term investments	5.500	3.594
Cash flow from investing activities	5.500	3.594
Net increase in cash	6.715	4.680
Cash at beginning of the year	5.870	1.190
Cash at ending of the year	12.585	5.870

**Statement of Comparison of Budget and Actual Amounts
for the year ended 30 June 2018**

Actual 2016-2017		Budgeted amounts 2017-2018		Actual amounts on comparable basis	Differences between the budgeted amounts and actual amounts
		Original	Final		
Revenues					Outcome (Shortage/ Abundance)
3.195	Donations	5.000	5.000	10.868	5.868 Abundance
2.562	Other revenues	2.000	2.000	3.400	1.600 Abundance
5.757	Total Revenues	7.000	7.000	14.268	5.268 Abundance

16.418	Borrowing from the National investment bank	18.552	18.552	18.552	-----
450.123	Funds from the public treasury	440.000	440.000	433.959	6.041
472.298	Total Resources	465.552	465.552	466.779	1.227
Expenses					Outcome (Override/Reduction)
(231.796)	Compensation and Employee benefits	(294.183)	(294.183)	(294.183)	----
(23.796)	Services and supplies	136.000	136.000	(126.159)	9.841 (Reduction)
(2.144)	Social benefits and grants	3.789	3.789	(3.198)	591 (Reduction)
(2.649)	Other payments	4.349	4.349	(3.349)	1.000 (Reduction)
(16.418)	Capital assets purchased	(18.552)	(18.552)	(18.552)	----
(357.828)	Total Expenses	(458.321)	(458.321)	(466.779)	12.880
	Loans Payments	-----	-----	----	-----
	Total Uses	(458.321)	(458.321)	(466.779)	12.880

1- Summary of basic accounting Policies

a) Basis of accounting:

- The financial statements of the Egyptian "X" university have been prepared in accordance with GASB statements No.34 " Basic Financial Statements- and Management,s Discussion and Analysis- for State and Local Governments" as amended by GASB Statements No.35, " Basic Financial Statements- and Management,s Discussion and Analysis- for Public Colleges and Universities.

- The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting.
- Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when an obligation has been incurred.
- The university reports capital assets net of accumulated.

4- Accounting estimates and judgement

The preparation of financial statements in conformity with Generally Accepted Accounting Principles involves management estimates that affect the reported amounts of assets, liabilities, revenues and expenses during the reporting.

Please read the above suggested financial reports template of Egyptian public "X" University prior to answering the following questions:

The statements	Totally agree	strongly agree	neutral	strongly disagree	Totally disagree
1- The financial reports of the university provided information help their users to forecast future its expenditures and expenses					
2- The financial reports of the university provided information help their users to assess the past financial performance.					
3- The financial reports of the university has been used for decision making.					
4- The financial reports of the university provided free from errors information.					
5- The financial reports of the university provided complete information to make decisions					

6- The financial reports of the university provided unbiased information.					
7- Information included in the financial reports of the university is presented clearly.					
8- The financial reports of the university provided information is very easy to understand.					
9- The financial reports of the university clearly presented for the proper comparability within different periods.					
10- The financial reports of the university clearly presented for the proper comparability to other universities					
11- The financial reports of the university prepared and issued on time.					

Appendix II

Cash-based Financial Reports of Damanhur University for the year ended 30 June 2018 (Virtual financial reports)

Final Account Statement of Damanhur University For the year ended 30 June 2018

Economic classification	From July 1 st to May 31 months of 2018				June month for the year 2018				Total amount			
	Deficit	Funds	Self-financing	total	Deficit	Funds	Self-financing	total	Deficit	funds	Self-financing	total
	LE	LE	LE	LE	LE	LE	LE	LE	LE	LE	LE	LE
Resources	36.428.740	9.795.539	----	46.224.279	168.300.107	30.071.775	--	198.371.882	204.728.847	39.867.314	---	244.596.161
Revenues	1.222.700	9.795.539	----	11.018.239	496.525	30.071.775	----	30.569.300	1.719.225	39.867.314	---	41.586.539
Sources of Finance	35.206.040	-----	----	35.206.040	167.803.582	---		167.803.582	203.009.622	----	---	203.009,622

Economic classification	From July 1 st to May 31 months of 2018				June month for the year 2018				Total amount			
	deficit	funds	Self-financing	total	deficit	funds	Self-financing	total	deficit	funds	Self-financing	total
	LE	LE	LE	LE	LE	LE	LE	LE	LE	LE	LE	LE
Uses	135.876.522	9.795.539	----	145.672.061	68.852.325	30.071.775	--	98.924.100	204.728.847	39.867.314	---	244.596.161
Expenses	135.876.522	9.795.539	----	145.672.061	68.852.325	30.071.775	--	98.924.100	204.728.847	39.867.314	---	244.596.161

Annexues of annual financial report of Damanhur University for the year ended 30 June 2018

No.(1): Revenues of Special Accounts and Funds Statement for the year ended 30 June 2018

Account name	bank	Account No	The balance in 1/7/2017	Revenues 2017/2018	Expenses 2017/2018	Results during the year	The balance in 30 /6/ 2018	First door	Second door	Third door	Forth door	Fifth door	Six door
			L.E	L.E	L.E	L.E	L.E	L.E	L.E	L.E	L.E	L.E	L.E
Fund--	---	----	97.568	430.338	473.085	54.821	113.100	354.387	62.189	----	--	37.394	16.115
Fund--	----	----	32.807	785.173	531.879	28.610	401.378	472.620	45.343	---	---	13.914	---
Total	----		130.375	1.215.551	1.004.964	83.431	514.478	827.007	107.532	---	---	51.308	16.115

No.(2): Financial Penalties Statement

Statement	Balance (L.E)
Beg balance	4142
Additions (+)	Zero
Total	4142
Subtractions (-)	zero
Balance as at 30 June 2018	4142

No.(3): Investment Bank Account Statement

Statement	Balance (L.E)
Balance at the Beg of the 2016-2017 year	442.264
Balance during the 2016-2017 year	31.414
Total balance for the 2016-2017 year	31.856
Current balance for the 2017-2018 year	31.415
Total	62.380

No (4): Opening balances as at 30 June 2018

4.1 The residual values of Inventories For the year ended 30 June 2018

Permanent value		Consumed value		Salvage value	sub commitments value	Personnel commitments value	Laboratories	Museums value	Libraries value	Total
L.E		L.E		L.E	L.E	L.E	L.E	L.E	L.E	L.E
Normal	Un usable	Normal	Un usable							
8.258	21.173	2.183	3.548	135.155	14.813	78.572	67.282	----	33.724	364.708

4.2 The Balance of Capital Assets of Damanhur University for the year ended 30 June 2018

statement	Buildings	Machines, equipment, transportations and furniture				purchased Land	Lands Reclamation	Total
		Transportations	Machines, equipment	Materials	Furniture			
	L.E	L.E	L.E	L.E	L.E	L.E	L.E	L.E
Previous balance	240.774.568	3.822.375	14.421.326	67.450	42.913.432	14.580.000	207.679	316.786.830
During the year	45.789.490	393.828	-----	-----	7.716.491	-----		53.899.809
Total	286.564.058	4.216.203	14.421.326	67.450	50.629.923	14.580.000	207.679	370.686.639

4.3 The Balance of Prepaid Payments for the year ended 30 June 2018

No	Faculty	statement	Amount	Document	Date
1	Medicine	To company (e.g. Omar)	L.E 3400	-----	7/11/2017
2	Engineering	To company (e.g. Hano)	L.E 2.800	-----	22/11/2017
Total as at 30/6/2018: L.E 6200.55					

4.4 The Balance of Prepaid payments in respect to investments transactions for the year ended 30 June 2018

No	statement	Amount	Document	Date
1	To association--	L.E 15.000	-----	7/8/2017
2	To a faculty--	L.E 25.000	----	14/9/2017
Total as at 30/6/2018: L.E 40.000				

4.5 The Balance of Account Receivable for the year ended 30 June 2018

Amount (L.E)	Adjustment No	Date	Document No	Document Date
418	16	7/8/2017	389841	9/6/2018
302	5	14/9/2017	389771	11/2/2018
Total amount as at 30/6/2018: L.E 720				

4.6 The Balance of Cash under Adjustments

Statement	Amount (L.E)	Adjustment No	Date
Supply portfolio	15.000	-----	7/8/2018
Advance payments on account- Short term	25.000	-----	14/9/2018
Total Balance: L.E 40.000			

4.7 The Balance of Temporal Insurance

Statement	Balance (L.E)
Balance at the Beg of the 2016-2017 year	350.000
Balance during the 2016-2017 year	962.000
Total balance for the 2016-2017 year	1.312.000
Current balance for the 2017-2018 year	Zero
Total	1.312.000

4.8 The Balance of Permanent Insurance

Statement	Balance (L.E)
Ending Balance for the 2017-2018 year	15.847

4.9 Due to the Government balance

Statement	Balance (L.E)
Balance at the Beg of the 2016-2017 year	200.822
Balance during the 2016-2017 year	27.929
Total balance for the 2016-2017 year	22.875
Current balance for the 2017-2018 year	-----
Total	22.875

Please read the above suggested financial reports template of Egyptian public Damanhur University prior to answering the following questions:

The statements	Totally agree	strongly agree	neutral	strongly disagree	Totally disagree
1- The financial reports of the university provided information help their users to forecast future its expenditures and expenses					
2- The financial reports of the university provided information help their users to assess the past financial performance.					
3- The financial reports of the university has been used for decision making.					
4- The financial reports of the university provided free from errors information.					
5- The financial reports of the university provided complete information to make decisions					

6- The financial reports of the university provided unbiased information.					
7- Information included in the financial reports of the university is presented clearly.					
8- The financial reports of the university provided information is very easy to understand.					
9- The financial reports of the university clearly presented for the proper comparability within different periods.					
10- The financial reports of the university clearly presented for the proper comparability to other universities					
11- The financial reports of the university prepared and issued on time.					