

Features and Improvement of Domestic and Foreign Application of international Accounting Standards

Abdullayeva Zahra
Azerbaijan of Cooperation University

ABSTRACT

The main task of accounting is to generate information for internal and external individuals and organizations. Businesses that quickly analyze, use or turn this information into an opportunity are successful. Globalization in financial markets, the emergence of multinational companies and economic unions formed by various countries have revealed the necessity of international standards in accounting. To meet this need, International Accounting Standards Board develops and publishes International Financial Reporting Standards (IFRS). The number of countries that adopt IFRS is gradually increasing. The aim of this article is to investigate both the emergence of harmonization worldwide and its implementation in Azerbaijan in terms of transition to international accounting standards.

Key words: International Accounting Standards, Harmonization, Azerbaijan, IFRS, IPSAS

INTRODUCTION

The dynamics developing around globalization and competition in the rapidly changing world economy has caused important changes and developments in the field of accounting and its applications as well as in the economic, social and technological fields. With globalization, accounting practices have gained an international dimension, bringing along some problems in reporting, disclosure and implementation of financial information. In order to eliminate these problems, which are called as compliance problems, it has become necessary to undertake harmonization studies in the accounting field. In order to overcome this adaptation problem arising due to economic, social and cultural environmental conditions, efforts to establish internationally accepted accounting standards have been started. The basis of these studies are

the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) established in 1973 (Albu, N., Albu, C.N. & Gray, S.J., 2020). The United Nations, the Economic Cooperation and Development Organization, the International Capital Market Boards Organization, the International Accounting Standards Board and the European Union contributed to the achievement of international harmonization in accounting standards.

While studies were carried out to establish accounting and financial reporting standards in the world, Azerbaijan could not remain indifferent to this. The program for the preparation and implementation of national accounting standards in 2004-2007 and subsequent changes and additions to the same standards in 2009 and 2012 in order to move to international accounting standards was adopted. On September 2, 2004, the law "On Accounting" and on February 9, 2005, "On Accounting", the decree of the President of the Republic of Azerbaijan on the implementation of the Law formed the basis for the transition to International Financial Reporting Standards (Abasov, E.A., 2019).

IJSER

1. INTERNATIONAL ACCOUNTING CONCEPT

Accounting is *"a science that teaches the procedures and rules about recording the economic events in the enterprises, preparing reports and guiding those concerned financially by interpreting the reports"* (Hoogendoorn, M.N., 2004). Not only business managers, but also business owners, employees, customers, government creditors, investors and the public can obtain information about the financial condition of the business and its operating results through the performance of accounting functions. While national accounting is accounting within the borders of a country, it is the rules of accounting systems outside the international accounting borders (Cairns, D., 2002).

Accounting used to meet the information needs of the capital in its own country and prepare financial reports using national accounting techniques. Therefore, each country in measuring and evaluating economic activities that differ from country to country has developed and applied different accounting techniques. The application of different accounting techniques has resulted in different financial statements in the same economic events. Developments that emerged with the effect of globalization caused the borders between countries to disappear and the countries of the world to become dependent on each other in economic terms (Chapple, S., 2016). All these developments create the need for a comparable and reliable financial reporting and lead to efforts to eliminate the differences between countries, which is the subject of international accounting (Lutsyk, J. et al., 2020).

2. ORGANIZATIONS CONTRIBUTING TO THE DOMESTIC/FOREIGN APPLICATION OF INTERNATIONAL ACCOUNTING STANDARDS

In order to provide unity in accounting practices both nationally and internationally, efforts to establish accounting standards have been started. Many international organizations have been active in these studies. The common purpose of these organizations is to ensure the establishment of accounting and financial reporting standards globally in the world. The first of these organizations is the International Accounting Standards Committee (IASC). The purpose of this committee is to provide unity in accounting practices, to ensure that the information obtained from accounting has a common structure in the international arena, to determine the accounting standards that should be applied in audited financial statements announced to the public and to ensure that these standards are adopted worldwide.

Between 1973 and 2000, the committee published 29 accounting standards and also increased the number of members from 9 countries to 143 countries (Tarca, A., 2007). During this period, many international organizations agreed to participate in studies with the IASC and contributed to the creation and publication of standards. However, the lack of enforcement power of the IASC and the fact that most of the member organizations do not have the authority to set standards in their countries have revealed that the committee is not sufficient and the committee needs to be restructured. The IASC was transformed into the International Accounting Standards Committee Foundation (IASCF) as a superstructure and in this new structure, the task of publishing International Accounting Standards was transferred to the International Accounting Standards Board (IASB) established within the IASCF. While the standards published by IASC were named "*International Accounting Standards*", the standards published by IASB started to be published under the name of "*International Financial*

Reporting Standard (IFRS)". As of August 2009, there are a total of 65 regulations published by the International Accounting Standards Board (IASB), including 29 IAS and 8 IFRS codes, 37 standards, 27 Interpretations and Conceptual Framework (Walton, P., 2016).

Another international organization contributing to the establishment of international accounting standards is the International Organization of Securities Commissions (IOSCO). With globalization, the development of international trade, the increase in cross-border investments and the flow of funds between countries have also affected the capital markets. These developments have revealed the necessity of IOSCO to work on international accounting standards. IOSCO has decided to follow a policy to support the work of IASC in establishing internationally accepted accounting standards. In 1993, IOSCO and the IASB agreed on a list in which the minimum accounting standards to be applied in the preparation of the financial statements of companies in national and international securities issues (Van Hulle, K., 2004). Following the agreement in 1993, as a result of mutual negotiations between the two parties, an agreement was reached in 1995 to establish accounting standards to be taken as basis for international security issues. In 2000, it approved the accounting standards set issued by the IASB to be applied to international securities issuance transactions, and made a recommendation for the implementation of IAS to the member countries from the beginning of 2005. However, the decisions taken by IOSCO in the implementation of international accounting standards could not go beyond the quality of advice. It did not base these decisions on a power of sanction. With an agreement made in 1982 between the IASC and the International Federation of Accountants (IFAC), it was decided to coordinate, with this agreement it was accepted that IFAC members were also IASC members. Thus, IASC and IFAC were gathered under one roof. This has expanded the domain of IASC (Tarca, A., 2007).

Another important organization that operates for international harmonization in accounting and financial reporting standards is the European Economic Development Cooperation Organization (OECD). Studies carried out in OECD for accounting standards are generally related to reporting obligations rather than setting standards. Another organization, the European Federation of Accountants (FEE), reached an agreement between them in 1989 for close cooperation with the IASC. Thus, FEE has adopted to support the international harmonization studies carried out by IASC and has been included in the work of the committee since 1989 (Mnif, Y. & Gafsi, Y., 2020).

United Nations (UN), International Monetary Fund (IMF) and World Bank are among other important organizations contributing to the formation of accounting standards.

3. FEATURES AND IMPROVEMENT OF INTERNATIONAL ACCOUNTING STANDARDS IN AZERBAIJAN

Studies on transition to international accounting standards in Azerbaijan also start from 2001. The law "On Accounting" entered into force on September 2, 2004, and the decree of the President of the Republic of Azerbaijan "On the implementation of the Law of the Republic of Azerbaijan" on February 9, 2005. Only 28 of the actively operating institutions and organizations have switched to this system. State Oil Company, Azercell, Azal, Bakielektriksebeke, Azerigaz and other companies are included in the list of such enterprises. As of January 2008, other commercial and non-commercial institutions had to make their own records and reports in accordance with the international system (Abasov, E.A., 2019). However, there were reasons preventing the transition to International Accounting.

It is possible to explain these reasons as follows:

- a) The low tendency of the existing staff who have been working in this field for years to switch to the new system;
- b) The managers of the company do not fully understand that it is time to implement the new system;
- c) Failure to properly organize International Accounting training in Azerbaijan;
- d) Incorrect thoughts about the International Accounting System;
- e) Failure to provide close assistance to the companies in the implementation of their records and reports in accordance with the international system and the absence of serious situations;
- f) There are some difficulties in the implementation of the translated International Accounting Standards and National Accounting Standards;
- g) Lack of relationship between new financial reports and tax reports.

Taking into account the changes and additions made in the same standards in 2009 and 2012, the program for its preparation and implementation was adopted and followed in the following order (Hajizadeh, E., 2012):

- Development of regulatory legal regulation;
- Establishment of legal infrastructure (standard);
- Instructions, methodological instructions and explanations for methodological assurance
- Transfer staff (the development of the accountant profession, the preparation and re-preparation of the accountancy profession);
- Ensure international cooperation.

The body carrying out activities to generalize the practice and disseminate the experience of applying the IFRS (International Financial Reporting Standards) is the Ministry of Finance of the Republic of Azerbaijan. Law of the Republic of Azerbaijan dated June 29, 2004 No. 716-IIQ "On Accounting" regulates the rules for organizing and maintaining accounting, including the preparation and submission of financial statements by legal entities operating in the territory of the Republic of Azerbaijan, regardless of their form of ownership and organizational-legal form, as well as by individuals engaged in entrepreneurial activities without the formation of a legal faces ((CA), R.B., 2016).

The main goal of state regulation in the field of accounting in the Republic of Azerbaijan is to ensure the development of accounting in the state on the basis of international standards and transparency of financial reporting through the development and implementation of IFRS, IFRS for small and medium-sized enterprises (IFRS for SMEs), International Accounting Standards for the public sector. Chamber for Supervision of Financial Markets of the Republic of Azerbaijan in accordance with the laws of the Republic of Azerbaijan dated January 16, 2004 No. 590-IIQ "On Banks" and dated June 29, 2004 No. 716 IIQ "On Accounting" determines the rules of accounting, the form, content and frequency of financial statements prepared in accordance with IFRS in credit institutions and agreed with the Ministry of Finance of the Azerbaijan Republic (Aliyeva, M., 2019).

The Azerbaijan Association of Professional Financial Managers (APFM), in accordance with the charter, creates a network of trainings to teach advanced educational programs; trains staff in new accounting specialties that meet IFAC (The International Federation of Accountants) training standards; conducts events related to membership in international organizations; checks the knowledge of specialists, ensures their professional development. The Association of Accountants and Risk Professionals of Azerbaijan (ARPA), according to its charter, is engaged in assisting in reducing risks in the financial sector.

According to the Law of the Republic of Azerbaijan dated June 29, 2004 No. 716-IIQ "On accounting", Resolutions of the Cabinet of Ministers of the Republic of Azerbaijan dated May 27, 2010 No. 97 "On approval of the Rules for submitting annual financial statements and consolidated financial statements of commercial organizations, their reporting periods and publications "and dated October 1, 2014 No. 321 "On approval of the List of socially significant structures (except for credit institutions, insurance companies, investment funds, non-state (private) social funds, legal entities whose securities are in circulation on the stock exchange), which are required to maintain accounting records and submit financial statements based on International Financial Reporting Standards "IFRS is applied by socially significant structures

(credit institutions, insurance companies, investment funds and managers of these funds, non-state (private) social funds, licensed persons in the securities market, legal entities whose securities are in circulation on the stock exchange, commercial organizations having more than two indicators of the criterion established by the relevant executive authority as of the date of the financial statements) (Abasov, E.A., 2019). The Ministry of Finance of the Republic of Azerbaijan publishes the text of IFRS translated into the Azerbaijani language on the official website: www.maliyye.gov.az.

On June 1, 2018, the Law of the Republic of Azerbaijan on Amendments to the Law of the Republic of Azerbaijan on Accounting came into force. The main changes in the law can be classified into several categories. According to the amendments, enterprises are divided into 4 groups - micro, small, medium and large businesses (Aliyeva, M., 2019). The criteria for the above groups are determined by the Cabinet of Ministers. Business accounting standards also differ in these criteria. New accounting rules have been established and accounting organizations are required to comply with these rules. Thus, entities must create a separate accounting section within the organization or maintain a separate accountant.

4. INTERNATIONAL ACCOUNTING STANDARDS IN FOREIGN COUNTRIES

Although each country has its own public accounting standards, the preparation of internationally comparable financial statements has gained importance with globalization. For this reason, many countries have tried to adapt IPSAS (Mattei, G., Jorge, S. & Grandis, F.G., 2020). According to the report published by IFAC in 2007, countries that show great similarities with government accounting practices and implement IPSAS applications:

- Australia;
- New Zealand;
- The United Kingdom;
- The USA.

In this part of the article, the improvement and development features of the accounting processes of the countries mentioned and finally their adaptation to IPSAS applications will be emphasized. Apart from these countries, information will be given about the example of Sweden, which has given great support to IPSAS implementations and has taken important steps in its implementation, and Canada, which attaches importance to IPSAS compliance, although it is late compared to other countries.

4.1. THE UNITED KINGDOM

Public reform, which is described as New Public Management in foreign literature in 1991, has become an important building block in England. The UK budget and accounting system is called Resource Accounting and Budgeting, in other words Accounting-Budgeting Resources. RAB is a term used for the application of the accrual basis in the state budgeting and accounting system (Mnif, Y. & Gafsi, Y., 2020). "Resource Budgeting" includes the use of "Resource Accounting" information for the control and planning of public expenditures. Although the benefits of accrual based accounting for governments were not understood by most countries in the 1990s, it was understood that the use of accrual basis in both the budget and accounting was effective in England. In the early 1990s, the accrual-based accounting system started to be implemented primarily for the health services of the state.

Financial Management Principles were created in the UK in 1982 with the Financial Management Law proposal. Subsequently, "green paper" and "White paper" were published on accounting and budgeting (Public Sector Committee, 2002). With the Government Resources and Accounting Act (GRAA), published in 2000, it replaced the laws that have been applied since 1866. In line with the 1996 decision, the Parliament authorized the Treasury to apply accrual accounting in the 2001-2002 fiscal year, thus Britain took an important step in the transition to accrual accounting. With GRAA, the financial statements produced in the UK private sector are produced in the same way in the public sector (Camfferman, K. & Zeff, S.A., 2015).

In line with the UK-GAAP standards applied by the private sector since 2000-2001, implementation studies have also started in public accounting. In the years 2009-2010, IFRS-based reporting for the public sector was applied as much as possible in the public sector and "Whole of Government Account (WGA)" IPSAS applications were taken as basis. In this sense, England has been one of the leading countries in terms of transition to accrual based accounting and implementation of IPSAS (Mirza, A.A. & Ankarath, N. eds., 2012).

4.2. THE UNITED STATES

Since 1973, the Financial Accounting Standards Board (FASB) has been the private sector accounting standard set for non-governmental organizations in the United States. The Great Depression of 1929 initiated efforts to establish an authoritative institution to establish accounting principles. During the period, many believed that various accounting practices approved by the auditors contributed to the stock market decline and depression. As a result, the American Congress decided to establish the Securities and Exchange Commission (SEC)

with the "Securities Act" Law of 1933 and 1934 and to give the authority to determine the methods to be used in accounting (United Nations Conference on Trade and Development, 2008).

The "National Committee on Municipal Accounting (NCMA)", that is, the Accounting Committee of the National Municipalities, has published the accounting principles. It was re-authorized for public accounting in 1948, and in 1968, with the participation of state representatives, it published the principles regarding government accounting under the name of "Governmental Accounting, Auditing, and Financial Reporting (GAAFR)". GAAFR also periodically updated the principles known as "blue book". In 1973, it was decided to establish a "Financial Accounting Standards Board (FASB)" under the supervision of the "Financial Accounting Foundation (FAF)" in order to deal with publishing public sector accounting standards and specifically to work on this subject (Chapple, S., 2016).

Established in 1984 under the umbrella of the Financial Accounting Foundation, Governmental Accounting Standards Board (GASB) is an American Institute of Certified Public Accountants that determines GAAP for state and local governments. It is recognized as an institution (Fuertes, I., 2020). In 1990, this task was transferred to FASB with the formation of "Financial Accounting Standards Board (FASB)". The FASB functions as an advisory board in terms of compliance with the US constitution. FASB and GASB are similar in many ways. The only difference is that the FASB includes the administrative and legislative departments of the private sector as well as the federal government. GASB does the same for states as the FASB does for commercial and non-profit organizations. Accounting principles applicable to states are basically determined by GASB (Chertkova, A.V., 2020).

The United States began publishing accounting standards for the public sector earlier than other states. Relevant standards were developed in line with the country's needs and tried to be published. After the United States has accepted the convergence studies with International Accounting Standards and the studies are carried out in this direction, the government updates its accounting standards in this direction.

4.3.AUSTRALIA

Australia, like many other countries, has experienced significant reforms in public sector accounting and reporting over the past two decades (Get'man, V.G., Grishkina, S.N. & Sidnevaya, V.P. eds., 2015). In the last two decades, Australia has made two major changes in its government accounting system. The first is to abandon the cash-based budget and accounting system in the 1990s and to ensure the transition of all public institutions to the

accrual-based accounting system. The second is the harmonization of GAAP, that is, international accounting standards and government accounting. In line with these studies, the Australian Accounting Standards Board (AASB) and the Public Sector Accounting Standards Board jointly published three Australian Accounting Standards (Hoogendoorn, M.N., 2004). These are "*AAS27 Financial Reporting by Local Governments*", "*AAS29 Financial Reporting by Government Departments*" and "*AAS31 Financial Reporting by Governments*" standards. Although these three standards were accepted and implemented in all public institutions, they were abolished in 2008, after Australia adopted the International Accounting Standards in 2005 (Rahman, A., 2013).

In addition to using an accrual system based on GAAP, Australian governments at the federal, state and territory levels must also prepare a set of financial statements based on the Government Finance Statistics (GFS) system (Rahman, A., 2013). This led to the problem of preparing two different sets of financial statements based on two different systems (Rahman, A., 2013). AASB focused on the problem of the government accounting system based on two systems in 2000 and decided to solve it in two stages. The first phase focuses on the decision-making process by addressing macro-level problems for federal, state and regional governments, and in this context, the "*AASB1049 Whole of Government and General Government Sector Financial Reporting*", that is, the financial reporting standard for all state and public institutions, has been enacted since 2008 it was published to enter. In the second stage, it was taken as a basis to develop the public sector information need in accordance with the need.

Within the scope of the first phase, the Australian Accounting Standards Board has been carrying out the convergence studies of the standards to be applied in the government accounting in Australia with the International Public Sector Accounting Standards Board (IPSASB) since 2003 and ensures the implementation of the standards to cover the second phase (IPSAS, 2005). In this sense, Australia stands out as a country that implements IPSAS in all public institutions and publishes and updates standards in parallel with IPSASB.

4.4. NEW ZEALAND

New Zealand, which was the fifth economy in the world in the 1950s, declined to the twenty-fifth in the late 1980s. In order to prevent these negative developments in New Zealand, various legal incentives have been tried to be provided financially. These legal incentives are divided into 3 main categories (Tyrrall, D. & Aggestam, C., 2011):

- *The State-Owned Enterprises Act* (1986): It is the law that was introduced to structure public institutions similar to businesses operating in the private sector.
- *The State Sector Act* (1988): It is a law that determines and guarantees the responsibilities of managers operating in the public sector.
- *The Public Finance Act* (1989): It is the law regulating the balance sheet and financial structures of public and state institutions.

In 1989, the adoption of the accrual-based accounting system in the public sector in New Zealand and the continuation of accounting transactions close to the enterprises operating in the private sector were enacted in 1991. We see this kind of accounting in the public sector in the central government's accrual-based financial statements for the 1992 fiscal year (Mirza, A.A. & Ankarath, N. eds., 2012). *The Financial Reporting Act*, enacted in 1993 and enacted in 1994, set out the conditions to be met in financial reporting, and this was an important step in setting standards in terms of public sector accounting and financial reporting (Qu, X. & Zhang, G., 2010).

The prestige of the finance policy in New Zealand has increased with the requirement that accounting and budgeting be made in accordance with all generally accepted accounting principles. Control of the maintenance and application of these accounting standards is entrusted to a private institution, which functions independently from the state. In this way, the state was taken away from making statements that would benefit it. With this practice, New Zealand broke a taboo by giving the state's financial reporting to an independent institution (Walton, P., 2016). In New Zealand, the Financial Reporting Standards Board (FRSB) is the leading institution that develops financial reporting standards. FRSB sends the financial reporting standards it develops to the Accounting Standards Review Board (ASRB) for approval. With the approval of the relevant standard by the ASRB, the standard now has a legal effect and begins to be implemented by institutions (World Bank, 2017).

Adoption of generally accepted accounting standards in New Zealand has made the establishment of accounting policies extremely easy. Approaches used by the private sector in many fields can be easily applied. The government's accounting policies laid down a methodology for the preparation of financial statements, and particular attention was paid to the development of accounting policies, as they affected all government agencies. These accounting policies have also been extensively reviewed by accounting professionals (Salah, W., 2020).

4.5.SWEDEN

In Sweden, the application of the accrual accounting method to local government in 1986 and to the central government in 1993. The introduction of accrual accounting in central government was part of a broader reform agenda, and the most important official argument raised in connection with the reform was the need for accrual accounting to support the late-introduced performance management system (Mnif, Y. & Gafsi, Y., 2020).

The public sector in Sweden consists of central government, county councils (regional government) and municipalities (local government). The introduction of accrual accounting in central government in 1993 was part of a wider public administration reform agenda. In connection with the reforms made in recent years, the Swedish government has presented three general objectives for financial management; control of central government financing, resource allocation according to political priorities, and high efficiency and effectiveness in the use of central government resources (United Nations Conference on Trade and Development, 2008). The establishment of an accrual-based accounting system was developed in line with the changes in the budget law and the principles of performance management (Salah, W., 2020).

On September 29, 2011, the Swiss National Financial Institution approved the issue of consolidated financial statements and annual reports of public institutions, and their conduct in accordance with the international accounting standards IPSAS. From this date on, Sweden eliminates the differences between IPSAS and the current accounting system and converges the accounting system to IPSAS (Mattei, G., Jorge, S. & Grandis, F.G., 2020).

4.6.CANADA

Canada, which adopted the accrual-based accounting system late compared to other developed countries, accepted the implementation of the accrual-based accounting system as part of the budget process in 1995, but it took exactly seven years to implement it (Cairns, D., 2002).

Financial management reform efforts in the Canadian Government have a long history (Chapple, S., 2016). The Government Agency Royal Commission proposed improvements to the economy and efficiency of public services in 1962, and the Royal Commission on Financial Management and Responsibility explored the "best approach" to financial management in 1979. Although both commissions discussed accrual accounting, they did not explicitly recommend it. During the 1995 federal budget process, the Government of Canada implicitly demonstrated its intention to switch to full accrual accounting for budget and financial accounting as part of its efforts to improve "better governance" and "continuous control" (Get'man, V.G., Grishkina, S.N. & Sidnevaya, V.P. eds., 2015).

Canada saw the implementation of the accrual-based accounting system as part of the Financial Information Strategy initiative in 1997 and implemented it. The Canadian Institute of Certified Public Accountants (CICA) can only recommend accounting standards for Canadian federal and state governments, but cannot provide a standard for them. CICA, through the Public Sector Accounting Board (PSAB), sets accounting standards for Canadian public entities in its Public Sector Accounting (PSA) Handbook. Canada is currently developing and implementing public financial reporting standards in line with IPSASs (Mattei, G., Jorge, S. & Grandis, F.G., 2020).

CONCLUSION

Due to the shortcomings brought by the cash-based accounting system in the world, countries are now transitioning to the accrual-based accounting system and are able to better monitor their assets and liabilities, make strategic decisions and make future plans more clearly. The accrual-based accounting system not only enables the country to see its assets and liabilities better, but also contributes more to financial statement users in comparing financial statements between countries (Mirza, A.A. & Ankarath, N. eds., 2012).

There are certain differences between IFRSs and IPSAS as a result of the research conducted except for specific public issues, and these differences were identified and specified in the article. Among the reasons for these differences, it is thought that the first one is the differences due to the updating of IPSAS in the light of IFRS, apart from the differences due to the nature of the public sector and private sector. It is expected that these differences will be eliminated in time with the updates and new standards to be issued. Due to the differences in nature of private sector and public institutions, IPSAS 22 Disclosure of Financial Information on General Management, IPSAS 23 Taxes and Other Unrequited Income and IPSAS 24 Presentation of Budget Information in Financial Statements, which are issued only for public institutions that are not in line with IFRS (Mattei, G., Jorge, S. & Grandis, F.G., 2020).

The United States, Australia, New Zealand, Sweden and Canada, in particular the United Kingdom, which can be described as developed countries, have shown a rapid change process regarding the harmonization process with IPSAS in legal terms (Mnif, Y. & Gafsi, Y.,

2020). When I examine the implementation situations of IFRS and IPSAS, which are accepted as State Accounting Standards, in Azerbaijan, it is seen that the institutions do not fully prepare every financial statement specified in the standard and there are deficiencies. However, it is thought that these deficiencies will be overcome with the transition of public institutions to the full accrual system in time (Aliyeva, M., 2019). As a result, the full accrual system, IFRS and IPSAS are widely accepted in the world and countries are changing their systems in this direction. With the article, the development of government accounting based on international accounting standards has been explained and the directions and developments that can be taken have been tried to be explained.

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