

THE IMPLEMENTATION OF INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS IN LIBERIA: ANALYSIS OF THE BENEFITS AND CHALLENGES

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ABSTRACT

This study evaluates the main factors influencing the implementation of International Public Sector Accounting Standards (IPSAS) in Liberia. The study adopted a survey design to collect data using a five-point Likert scale questionnaire administered on a sample of 100 Accountants, and internal and external auditors selected from public accounting and audit firms, the General Auditing Commission, government departments and related public sector entities within the Montserrado County of the Republic of Liberia. The research data was analysed using descriptive statistics, and the hypotheses were formulated and tested using analysis of variance (ANOVA) at a 5% significance level. The results show that IPSAS application in Liberia improves the quality and reliability of government accounting information, aligns government financial accounting with best international standards, stimulates Public-Private sectors partnerships, and increases government accountability and transparency within the Liberian economy. The results also show that lack of IPSAS experts, conflict between IPSAS and existing laws, and high cost of transition from existing accounting practices to IPSAS represent threats to realising the full benefits of IPSAS. Hence, the paper calls for political buy-in through moral suasion among government officials. High level of political commitment is expected to ease stakeholders' efforts at removing the associated bottlenecks to IPSAS implementation.

Keywords: Benefits, Challenges, Implementation, International Public Sector Accounting Standards (IPSAS).