

**ABSTRACT**  
**to the text of the thesis written by**

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**on « DEVELOPMENT OF METHODOLOGICAL ASPECTS OF  
ACCOUNTING AND AUDIT IN THE PUBLIC SECTOR OF THE  
ECONOMY OF THE REPUBLIC OF KAZAKHSTAN»**

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Direction**

**Relevance of the research topic.** The current stage of development of the economy of the Republic of Kazakhstan is characterized by a transition to reforming the budget process on the principles of efficiency and effectiveness of budget expenditures, which requires the formation of high-quality transparent reporting on the use of budget funds and the development of a new accounting and state audit system.

The development of the system of budget planning and public administration in the public sector based on the formation of a new system of accounting and financial reporting is aimed at assessing the efficiency and effectiveness of the use of budgetary funds in achieving the set strategic goals, and not just assessing the implementation of financing plans.

Reforming the accounting system in the public sector has a macroeconomic focus on the formation of an information base for the purpose of assessing macroeconomic indicators of financial stability and the ability to repay state obligations (for state borrowing, state guarantees, state concession obligations, pension obligations, social payments) in the long term.

This direction of improving accounting in the public sector is associated with the definition of macroeconomic indicators for the purposes of government finance statistics.

The current state of the practice of organizing accounting and auditing in the public sector in the Republic of Kazakhstan requires further development and improvement of the methodological foundations of the accounting system in the process of radical reform of the budget process and the public administration system.

Improving the system of public administration in the Republic of Kazakhstan, accordingly, requires the formation and establishment of a system of state audit, the development of theoretical, methodical and methodological aspects of a new accounting system that meets the objectives of the transition to the conceptual foundations of a new budget policy.

The current system of accounting in the public sector does not fully allow the formation of an information base for the implementation of performance-based budgeting and the transition to a new system of public administration. The reason for this state of accounting is the insufficient development of theoretical and methodological issues of accounting, both in regulations and methodological

documents, and in special literary sources. The works of domestic and foreign scientists on the problems of accounting and auditing are mainly devoted to organizations in the real sector of the economy.

The solution of these issues is of particular importance due to the lack of a clear methodological concept for organizing accounting in the public sector of the economy in the Republic of Kazakhstan in the context of the transition to the accrual method in accordance with IPSAS, especially when forming the revenue side of the budget.

All this determines the relevance of the choice of the topic of dissertation research. The relevance of the chosen topic is also due to the practical significance, urgent tasks of improving the methodology for auditing the effectiveness of the use of budgetary funds in the context of the transition of the domestic accounting system to international financial reporting standards for the public sector.

The object of the study is the historically established and developing system of accounting and public audit in the public sector of the Republic of Kazakhstan in the context of implementing the concept of a new budget policy and introducing the principles of performance-based budgeting.

The subject of the study is the theoretical, methodological and practical aspects of reforming the system of accounting and public audit in the public sector in the Republic of Kazakhstan in the context of the introduction of the principles of a new budget policy and performance-based budgeting, and the transition to the accrual method in accordance with international financial reporting standards for the public sector.

**The purpose of the dissertation research** is to develop and scientifically substantiate the main provisions of the conceptual model of theoretical, methodological, methodological and practical aspects of the development and improvement of the accounting and auditing system in the public sector of the economy of the Republic of Kazakhstan in the context of the transition to the accrual method.

In accordance with the purpose of the research, the following interrelated **tasks** were set and solved in the dissertation:

- analysis, systematization and generalization of Kazakhstan's experience in reforming the accounting system in the public sector as a result of the transition from the cash method to the accrual method in accordance with IPSAS;
- analysis of the processes of convergence of IPSAS with IFRS;
- systematization of directions for the development of financial reporting forms, and development of recommendations for harmonizing the provisions on the formation of financial reporting and macroeconomic indicators for the purposes of government finance statistics;
- development of recommendations on the formation of the balance of state assets and liabilities;
- development of recommendations for improving the methodological and methodological aspects of the state audit system.

**Research methods.**

In the dissertation research used a relatively selective, scientific, systemic analysis, complex methods of research and analysis.

**Scientific novelty of the research.** The scientific novelty of the dissertation research is confirmed by the following scientific results:

- a conceptual model of the organization of the accounting system and state audit was developed based on the recommended classification of objects and subjects of financial reporting by levels of public administration of the budget process in the Republic of Kazakhstan;

- analysis and systematization of Kazakhstani experience in reforming the accounting system in the public sector as a result of the transition from cash to accrual in accordance with IPSAS;

- formulated conclusions and recommendations based on the results of the analysis of theoretical, methodological and methodological aspects of the formation of a new accounting system in the public sector of the Republic of Kazakhstan;

- recommendations have been developed to improve the accounting and information support of results-oriented budgeting processes and the transition to a new methodological basis for accrual budgeting;

- recommendations were developed for accounting and recognition of previously unrecognized assets and liabilities in the financial statements on the example of concession assets and liabilities, pension liabilities, estimated and guarantee liabilities, financial investments and financial liabilities.

**The main provisions for defense:**

- a conceptual model for organizing an accounting system and state audit based on the recommended classification of accounting objects and identification of financial reporting entities by levels of public administration of the budget process in the Republic of Kazakhstan;

- a conceptual model for improving the methodological and methodological aspects of the organization of accounting in the public sector in the context of the transition to the accrual method and the introduction of a performance-based budgeting system;

- conceptual and methodological provisions on the formation of the balance of state assets and liabilities; recommendations on accounting and recognition of previously unrecognized assets and liabilities at (on the example of concession assets and liabilities, pension liabilities, estimated and guarantee liabilities, financial liabilities);

- theoretical and methodological provisions for improving the accounting and information support of the processes of budget planning and budgeting on an accrual basis, state audit;

- results of an analysis of trends towards close convergence of IPSAS for public sector entities with accounting rules and principles for the private sector (IFRS);

- theoretical and methodological provisions for the harmonization of provisions for the formation of financial statements and macroeconomic indicators for the purposes of government finance statistics;

- methodological and methodological provisions for the organization and conduct of strategic state audit and performance audit.

### **Practical significance of the research results**

The practical significance of the dissertation lies in the fact that the work formulates the methodological foundations of a new accounting system in the public sector and develops specific proposals for the development of the system of state audit and financial control, the introduction of financial audit methodology, compliance audit and performance audit of public sector entities in the economy. conditions for the transition to the accrual method.

The necessity of improving and reforming the system of accounting and budgetary accounting, state financial reporting, the principles of formation of accounting and analytical information for assessing the results of the efficiency and effectiveness of the use of public resources, the control mechanism, as a necessary element for assessing the effectiveness of investing in the public sector of the economy, is substantiated.

The provisions and conclusions of the dissertation can be used in the practice of public sector entities, and adopted in the process of improving and developing the legislative and regulatory and methodological support of the accounting system, state audit and financial control in the public sector of the economy.

Based on the results of the study, the foundations of the concept of development and further improvement of the system of accounting and financial reporting in the public sector of the economy, public audit and financial control can be formed.

**Testing and implementation of research results.** The results of the dissertation research are reflected in scientific research in the development of problems of the theory and methodology of accounting in the public sector, on improving the accounting and information support of public finance management processes and evaluating the effectiveness of the use of budget funds, introducing accrual budgeting systems, introducing performance-based budgeting systems , improving the systems of financial control and public audit, including methodological, methodological and practical aspects of financial audit, compliance audit and performance audit.

### **Description of the contribution of the student to the preparation of each publication.**

During the study period, 12 scientific papers were published, including: 1 publication in Scopus, 3 in journals recommended by Committee for Quality Assurance in Education and Science, 6 articles in international conferences, 2 articles in Kazakhstani journals.

The article «Developing an Accounting System: Under the Macroeconomic and Microeconomic Model of Economic Relations between Business Entities. Example of Hospitality Management» defines the need for fundamental changes in accounting practice. To achieve the goals of developing market mechanisms, reforms in the accounting system should be put in the foreground. The student wrote this article under the supervision of a supervisor.

In the articles «Methodological aspects of organization of accounting in the state sector of the Republic of Kazakhstan: on cash basis and accrual basis method of accounting» and «Перспективы развития учетной системы в государственном секторе Республики Казахстан в условиях конвергенции МСФООС и МСФО», author conducted a comparative analysis of the application of the accrual method and the cash method in organizations of the public sector of the Republic of Kazakhstan.

In the article «Marketing ensuring of the competitiveness of the Republic of Kazakhstan regions in the transition to the digital economy», the authors determine the possibility of applying digital transformations in regional development, provide a mathematical justification for the model of integration of digital complexes within various sectors of the economy of individual regions.

The article «Development of the Digital Economy in the Republic of Kazakhstan» was also written under the guidance of a domestic research supervisor. It reveals the role of the information sector in the economy of the Republic of Kazakhstan.

The articles «Actual problems of accounting of concession assets and liabilities in the Republic of Kazakhstan» and «Актуальные проблемы бухгалтерского учета концессионных соглашений в условиях развития государственно-частного партнерства в Республике Казахстан» deals with the issues of updating accounting in the public sector of the republic's economy, in the context of the development of public-private partnership in the form of a concession agreement. Recommendations are given on the problems of accounting for concession contracts. These articles were also written under the supervision of a supervisor.

All scientific results presented in the dissertation and publications were obtained by the author independently, the statement of problems was proposed by domestic and foreign scientific consultants as part of scientific consulting and supervision of the dissertation research.