

Followed Accounting Basis in the State of Kuwait and its Impact on the Effectiveness of the Control Procedures of Public Expenditures - An Empirical Study

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Abstract

This study aimed at identify the impact of cash basis for accounting measurement on the effectiveness of the control procedures of public expenditures in the state of Kuwait, where the impact of the cash basis on each of the financial control procedures effectiveness, administrative control procedure's effectiveness and internal check procedure's effectiveness of public expenditures in the state of Kuwait have been tested. To achieve the objectives of the study a questionnaire was developed related to the subject of the study based on the previous studies and was distributed to the study sample in order to test its hypothesis, using simple and multiple linear regression. The study population consisted of all of employees in the finance and internal audit departments of the ministries in the State of Kuwait, questionnaire have been distributed to a sample of (300) employees, a total of (282) questionnaires were recovered, (258) of which were valid for analysis.

The study found that there is an impact of cash basis for accounting measurement on the effectiveness of the control procedures of public expenditures in the state of Kuwait. The impact of cash basis on financial control procedure's effectiveness ranked first, internal check procedure's effectiveness ranked second, while administrative control procedure's effectiveness ranked third in terms of the degree of their impact on the control over public expenditure importance.

Based on the results of this study, it could be introduced a number of recommendations, the most important are Continuation of the Cash basis in the government accounting system in the State of Kuwait for its effectiveness in preventing financial and accounting errors, and intensify efforts to provide specialized training courses for Employees of government accounting units, in order to maintain the control system applied and increase its effectiveness. Finally, the study recommended that further studies should be conducted in addition to cash basis, on both modified accrual basis and accrual basis, in addition on the control of public revenues

Keywords: **Cash Basis, Control, Financial Control, Internal Check, Administrative Control.**

Introduction

Governments strive to provide citizens' needs effectively and efficiently, which requires them to provide money to carry out their duties, which drives them to provide clear processes and structures for all aspects of financial management, which requires the adoption of the best and most capable methods of preserving and controlling public money. The year is the cornerstone of the success of the financial management of any country, as it is considered the first line of defense to protect and manage government assets, prevent waste of public money and ensure the optimal use of state resources for the benefit of various economic and social sectors, by ensuring the proper functioning of work in the right direction to ensure efficiency Public administration and effectiveness.

Governments strive to provide citizens' needs effectively and efficiently, which requires them to provide money to carry out their duties, which drives them to provide clear processes and structures for all aspects of financial management, which requires the adoption of the best and most capable methods of preserving and controlling public money. The year is the cornerstone of the success of the financial management of any country, as it is considered the first line of defense to protect and manage government assets, prevent waste of public money and ensure the optimal use of state resources for the benefit of various economic and social sectors, by ensuring the proper functioning of work in the right direction to ensure efficiency Public administration and effectiveness accounting, as countries can choose between four foundations of accounting measurement, which are the cash basis, the modified cash basis, the accrual basis, and the modified accrual basis, which is the cash basis as the simplest (Onipede & Domma, 2016).

The State of Kuwait has witnessed many reform attempts in various aspects of public administration, as ways to improve control and the factors affecting its increase in effectiveness were addressed, which prompted the State of Kuwait to reconsider the cash basis followed by government departments and ministries and the trend towards the basis of entitlement since 1998. , By updating a classification and categorization according to Circular No. (5) of (1998) regarding the unified model guide for government agencies, but this step has not been completed until today, as the cash basis is still the basis followed in the State of Kuwait to this day. Classification of the economic classification of expenditures in the budget of ministries and government departments and the budgets of the bodies attached to current expenditures and capital expenditures, in accordance with Circular No. (4) of (2015) regarding the guide of budget codes and classifications

(cash basis), as the basis of an entitlement according to the Ministry of Finance in the State of Kuwait works to impart More accuracy in estimating the general budget appropriations and up to the minutest details, which helps in achieving control over the various activities of the state and ensures the ease of conducting financial analyzes for the budget items General Public (Kuwaiti Ministry of Finance, 2016). Hence, the idea of this study came to know the effect of using the accrual basis on the effectiveness of controlling public expenditures in the State of Kuwait.

Study Problem

Supervision is the cornerstone of good management of public resources, and their primary importance lies in providing insights and insight into whether government institutions and agencies are doing what they are supposed to do, and financial control plays a fundamental role in ensuring that laws and regulations are respected, and the proper use of public resources allocated in the budget, preventing waste of resources, detecting any potential malfunctions and taking corrective action in a timely manner (Koitaba et al., 2016).

The effectiveness of control procedures is affected by a set of factors, including the followed accounting basis, as this basis affects the level of complexity of accounting operations and their control, as the control procedures are affected by the timing of the recognition and registration of financial operations in the accounting records and books and the presentation of the financial statements regardless of the nature of the operations that are carried out measured.

Due to the different effect of accounting principles on control procedures, many countries of the world have made a set of amendments to the accounting principles used in the government sector, but the State of Kuwait has not made such adjustments and preserved the cash basis in recording accounting operations in the government sector. Hence, the problem of this study lies in answering the following main question:

Is there an effect of the cash basis on the effectiveness of control measures for public expenditures in the State of Kuwait?

From this question the following questions are divided:

1. Is there an effect of the cash basis on the effectiveness of financial control measures for public expenditures in the State of Kuwait?

2. Is there an effect of the cash basis on the effectiveness of administrative control measures for public expenditures in the State of Kuwait?

3. Is there an effect of the cash basis on the effectiveness of internal check procedures for public expenditures in the State of Kuwait?

Study Objectives

This study aimed to demonstrate the impact of the cash basis on the effectiveness of control measures for public expenditures in the State of Kuwait, and more specifically, the study sought to achieve the following objectives:

1. A statement of the impact of the cash basis on the effectiveness of financial control procedures for public expenditures in the State of Kuwait.

2. A statement of the impact of the cash basis on the effectiveness of administrative control procedures for public expenditures in the State of Kuwait.

3. A statement of the impact of the cash basis on the effectiveness of internal check procedures for public expenditures in the State of Kuwait.

Study Importance

The theoretical importance of this study is highlighted in its support for theoretical studies and research in the field of the importance of the cash basis and its impact on improving the effectiveness of control over public expenditures, and it may add a theoretical aspect to be used by researchers in this field, which may have a new addition to the Arab library in addition to all researchers who want to pursue their research in this field in the future. The practical importance of this study is highlighted by the importance of controlling public spending in the State of Kuwait, which has a major role in controlling and controlling public money, as well as the importance of the accounting basis followed in the effectiveness of control procedures. Represent the achievement of the greatest possible production efficiency and ensure that policies are applied as previously stipulated. The study also gains importance through the addition of the results of the various bodies concerned with the control of public expenditures in the State of Kuwait, in addition to the presumed recommendations to improve the effectiveness of methods and tools of control in controlling public expenditures in the State of Kuwait.

Study Hypotheses

Main hypothesis H0: There is no statistically significant effect at the level of significance ($\alpha \leq 0.05$) of the cash basis on the effectiveness of control measures for public expenditures in the State of Kuwait.

Divided from this hypothesis the following sub-hypotheses:

H01: There is no statistically significant impact at ($\alpha \leq 0.05$) for the cash basis on the effectiveness of financial control procedures for public expenditures in the State of Kuwait.

H0-2: There is no statistically significant effect at the level of significance ($\alpha \leq 0.05$) of the cash basis on the effectiveness of administrative control procedures for public expenditures in the State of Kuwait.

H0-3: There is no statistically significant effect at the level of significance ($\alpha \leq 0.05$) of the cash basis on the effectiveness of internal check procedures for public expenditures in the State of Kuwait.

literature Review

Accounting Basis

Governmental accounting is an approach to presenting the state of public finances. This approach consists of a set of criteria that are used to report the revenues and expenditures of any government during a particular fiscal year and to present their general financial position on a specific date. Governments rely on many accounting principles for the purpose of measuring the results of the accounting period and presenting them in an appropriate and clear manner, as they may use the cash basis or the accrual basis, the modified accrual basis, or the modified cash basis, whereby governments choose to favor and choose between these bases to use the basis that suits the accounting system and its degree of development (Haija et al., 2021).

Accordingly, the accounting principles can be defined as the set of accounting principles that determine when the effects of transactions or events for financial reporting purposes must be recognized (IFAC, 1993, p34), and based on that, the term accounting measurement foundations refers to the rules and principles that determine the timing of recognition of financial operations. And recording them in the accounting records and books and displaying the financial statements

regardless of the nature of the operations that are being measured, and a comparison can be made between several foundations of accounting measurement when designing the accounting system according to the nature of the organization activity or the type of data required for planning or control purposes, and therefore the application of the accounting principles is not considered neutral because it is It directly affects the quality of the outputs of the accounting system, because they differ among themselves on the timing of the recognition of revenues and expenditures (Warren et al, 2020).

The accounting basis is defined as the method used in identifying and measuring transactions and balances and can be divided into four different accounting rules, which are: the cash basis, the modified cash basis, the accounting accrual basis and the modified accrual basis (Patrick et al., 2017).

Cash Basis

When applying the cash basis, actual collection or expenditure is the basis for recognizing revenues and expenditures in the accounting books and records, and the cash accounting basis recognizes transactions and events only when cash (including cash equivalents) is received or paid, and the financial statements prepared under the cash basis provide information on sources Cash collected during the accounting period, and the purposes for which cash and cash balances were used or spent at the reporting date, where the focus of measurement in the financial statements is on cash balances and changes in them only, but the notes attached to the financial statements may include additional information about liabilities, such as accounts Payables and loans, and some non-cash assets, such as receivables, investments, property, machinery and equipment (IFAC, 1993).

(IFAC, 2000, p: 13) defined the cash basis as: “The accounting basis that recognizes transactions and other events upon receipt or payment of cash, and the measurement of the financial results of the accounting period is according to the cash basis with the difference between cash received and cash paid, and also the statement of cash flows is the main financial statement.

Accrual Basis

The accrual basis of accounting uses the concept of a legal obligation to record financial transactions, as revenues or expenditures arising from the contract are recognized as soon as there is a legally binding contract for the receipt or provision of the service, where the recognition of

revenues or expenditures under the accrual basis of accounting does not depend on the time point in which the cash is transferred as a receipt or a down payment, as in the case of a cash basis (Tickell, 2010).

The accrual basis of accounting is defined as the basis that relies on charging the final account of any financial year with the expenditures and revenues that were actually achieved during that year, regardless of whether these expenditures were paid or not yet paid, and the revenues were received or not (Haija, 2021). Koen (2015) also noted that the accrual basis of accounting is the basis on which transactions are recorded when they occur, regardless of the timing of the cash flows.

The accrual basis has also been defined in the International Public Sector Accounting Standards as the basis by which transactions and events are recognized when they occur (and not upon receipt or payment of cash or its equivalent). Therefore, transactions and events are recorded in the accounting records and recognized in the financial statements for their respective time periods. (IFAC, 2000).

Adjusted Cash Basis

Some governments tried to address the problems of the cash basis by applying the modified cash basis, by deviating from the cash basis in exceptional cases determined by the state's general budget some sums of money, but may not prevent them from being considered within the expenditures of the financial period, such as purchases in which purchases are received, but disbursement to the supplier has been delayed for any reason (Hasibuan & Syahrial, 2019).

According to Aswar and Saidin (2018), this basis adopts the cash basis rules in recognizing the accounting measurement of public revenues, while it relies on the accrual basis rules when accounting for public expenditures, and accordingly it is considered an accounting model based on the cash basis with modifying the basis for measuring some items to converge with the accrual basis of accounting.

The modified cash basis takes an intermediate state between the cash basis and the accrual basis. According to this basis, short-term items are recorded when the cash levels change as in the cash basis, which means that almost all elements of the income statement are recorded using the cash basis, while long items are recorded term for which purchase leads to unpaid dues on an accrual basis (Danescu and Rus, 2013).

Modified Accrual Basis

The modified accrual basis is represented by the process of deducting amounts from the appropriations of the general budget to meet the obligations of the accounting unit despite not being disbursed, by forming an allowance for the obligations arising from the government unit, thus showing all the revenues received and expenditures spent during the financial period based on the cash basis, but after making all the necessary inventory adjustments for accrued and prepaid expenses (Ismail et al., 2018).

Koen (2015) has indicated that the modified accrual basis is the basis on which revenue is not recognized except when it is available and can be measured. But revenue from fines and violations is recognized under the cash basis as it cannot be predicted and estimated accurately, as it is very difficult to anticipate and estimate future sales tax and value-added tax for revenue accumulation purposes.

The adoption of the modified accrual basis allows government units to move to the full accrual basis easily, to allow it to postpone or exclude the registration of some transactions, as it is based on the recognition of the government unit's expenditures, whether paid or not, while only the earned and received revenues are recognized (Ademola et al., 2020).

Control Procedures for Public Expenditures

The government administration is mainly based on the effectiveness and efficiency of the regulatory agencies, which are the cornerstone of preserving public money and reducing financial irregularities, and the control should be the main reference source for directing managers and their financial advisors in the efficient, effective and easy use of public resources, which ensures the protection of public assets, and they combine the efforts of several supervisory bodies in order to implement financial control operations within the country, the most important of which is the audit of the Audit Bureau and the control of the Ministry of Finance (Sharma, 2018), and in Kuwait, the Kuwaiti Financial Auditors Authority was recently established.

Control has been defined as the process of measuring and correcting the performance of the activities assigned to subordinates to ensure that the objectives of the organization and the plans that it was designed to reach have been achieved (Yusof & Jaafar, 2018). Efficiently and effectively to ensure the achievement of its goals without wasting material, financial and human

resources and capabilities, and it was also defined as a part of the administrative work aimed at verifying and evaluating the correctness of performance in the event of its deformation, which is the positive concept of control, and not imposing punishment in the event of errors (Behn et al., 2010). Control has also been defined as representing the continuous organizational control processes over the implementation of the organization's plans in an efficient and effective manner to ensure the achievement of its objectives without wasting material, financial and human resources and capabilities (Gilchrist & Simnett, 2019).

Consequently, the researcher can define control as the procedures by which to ensure the smooth flow of work in the right direction that ensures the efficiency and effectiveness of performance, by following the most appropriate control pattern, examining the supervisory work systems and procedures, and monitoring according to the supervisory work standards, while adhering to ethical principles, and making sure of there are no pressures affecting the flow of work in the planned direction.

Financial Control

Control can be defined as a continuous, renewable process through which it is verified that performance is carried out as defined in the goals and standards set by measuring the degree of success of actual performance in achieving goals and standards for the purpose of evaluation and correction (Gilchrist & Simnett, 2019), and defined it (Fasua E and Osifo, 2016, p34) as "the process established to ensure that behavior and performance are in agreement with the organization's standards through the process of verification and correction of financial and non-financial errors in order to achieve the goals and objectives expected of the organization, as defined by Ortega-Rodríguez et al. (2020) as "measuring and correcting the performance of the activities assigned to subordinates To ensure that the goals of the organization have been achieved, "as defined by (Sewrathan, 2016) as a management function that aims to achieve specific goals within a specific timetable, and is usually understood to have three elements: (1) setting standards, (2) measuring performance Actual, and (3) corrective action.

Administrative Control

Administrative control is one of the important administrative duties because it aims to ensure the quality of performance, and to ensure that specific objectives are achieved as planned, and many

writers and researchers provide different definitions of administrative control, most of which have one side and the goal of maintaining the entry of the organization and ensuring the good fulfillment of the tasks Moreno-Albarracín et al. (2020) views administrative control as an administrative function aimed at ensuring that the goals are achieved and that plans are implemented in the correct way, while Mudrifah (2020) defines it as the organizational plan that includes specialized methods and procedures in a way. Major in implementing administrative policies and procedures and achieving adequacy of planned operations.

Internal Check

Internal check is considered one of the most important elements necessary to achieve the effectiveness of the administrative and accounting control system, and it has been defined as the accounting, statistical and material means and procedures that work to protect assets from theft, embezzlement, loss, and misuse. To control and monitor the facility's operations, automatically and continuously (Phonetip, 2017), Yamashita et al. (2015) believes that the internal control system includes the organizational plan and all means of coordination and procedures aimed at protecting assets from embezzlement, loss, or misuse. In order to achieve its objectives, internal control depends on the division of work with self-monitoring, where the work of each employee is subject to the review of another employee who participates with him the implementation of the process, as it depends on the definition of terms of reference.

Study Methodology

This study is applied in nature, explanatory in terms of purpose, as it works to discover the cause and effect between the dimensions of the accounting basis followed in the State of Kuwait and the effectiveness of control measures for public expenditures. Note that this study is non-contrived, because it is conducted in the natural environment of the departments of finance and internal auditing in all ministries in the State of Kuwait without the intervention of the researcher. As for the time horizon, it is a study that is conducted on one sample at one time and for one time.

Study Population

The target population of the study consists of all workers in the financial departments and internal auditing of general managers, directors of financial departments and financial units, heads of

financial departments and auditors in the ministries of the number (21) ministries in the State of Kuwait, where the number reached (450) employees.

Study Sample

The study sample was selected from all the employees in the finance and internal auditing departments in the ministries in the State of Kuwait, whose number is (300) urging employees named (general manager, director of a financial department, director of a financial unit, head of financial department, auditor).

Data Sources

The researcher tended to address the theoretical framework of the study to secondary data sources, which are represented in relevant Arab and foreign references, periodicals, articles and reports, and previous research and studies that dealt with the subject of study, research and reading on various Internet sites. To address the analytical aspects of the research topic, the researcher resorted to collecting primary data through the questionnaire as a main tool for the study, which was specially developed for this purpose and distributed to the study community (workers in the finance and internal auditing departments in the ministries in the State of Kuwait).

Study Tool Stability

The reliability coefficient represents the quality of the paragraphs of the questionnaire and their internal consistency, and to ensure the stability of the questionnaire and that it measures the aspects that it was designed to measure, the Cronbachs Alpha internal consistency coefficient has been calculated, and this equation is one of the methods by which the reliability of the tools and measures is recognized. Which is used in answering its paragraphs, the five-tiered Likert scale, if its value is greater than (0.60), then the result is statistically acceptable, and the higher its value, this indicates higher degrees of stability for the study tool. (Sekaran & Bougie, 2010, 184) assumed the minimum reliability coefficient is (0.70) and if more than (0.80) it is considered good, but if it is less than (0.60) it is considered weak. Table No. (1) shows the results of the Cronbach alpha test for the study variables with its various dimensions:

Table No. (1): Cronbach alpha test

Cronbach alpha	No. of paragraphs	The dimension	No.	Variables
0.6510	15	Financial control according to the cash basis	1	Accounting basis
0.6240	16	Administrative control according to the cash basis	2	
0.6960	16	Internal check according to the cash basis	3	
0.6820	11	Effectiveness of control measures for public expenditures	1	Effectiveness of control measures for public expenditures
0.746	58			Total

We note from the tables No. (1) that the values of the internal consistency coefficient Cronbach alpha for all the variables of the study (dimensions of the independent variable, the accounting basis and the dependent variable, the effectiveness of control measures for public expenditures) ranged between (0.624 - 0.696) and exceeded the value 0.60), which indicates the enjoyment of all paragraphs the dimensions of the independent variable and the dependent variable are with an acceptable stability factor, and the overall score of the coherence coefficient for all the paragraphs of the questionnaire is (0.746), which indicates that all paragraphs of the questionnaire have a good stability coefficient and consistency between all paragraphs of the study variables and the possibility of trust and reliance on them to conduct the statistical analysis of the study.

Multicollinearity Test

The Person Correlation coefficient test has been conducted between the dimensions of the independent variable, the accounting basis, and the dependent variable, the effectiveness of control measures on public expenditures. Administrative control according to the cash basis, internal check according to the cash basis) followed in the State of Kuwait with the dependent variable, the effectiveness of control measures on public expenditures came in succession (85.30%, 38.90%, 35.10%) and it is statistically significant at the level of significance ($\alpha \leq 0.01$) As it is clear from

the same table that all the values of the correlation between the dimensions of the independent variable are less than (80%), where the highest correlation between the dimension of financial control according to the cash basis and the administrative control according to the cash basis (34.20%), and this indicates that the data is free from the problem of correlation Multiple linearity.

Table No. (2): Pearson correlation coefficient between the dimensions of the independent variable and the dependent variable

Effectiveness of control measures for public expenditures	Internal check according to the cash basis	Administrative control according to the cash basis	Financial control according to the cash basis	Variables
			1	Financial control according to the cash basis
		1	0.342***	Administrative control according to the cash basis
	1	0.185***	0.319***	Internal check according to the cash basis
1	0.351***	0.389***	0.853***	Effectiveness of control measures for public expenditures

*** statistically significant at the level of significance ($\alpha < 0.01$)

Results

First: Descriptive Statistics

Table No. (3): Means, standard deviations, rank and the relative importance of the paragraphs of the dimensions of the independent variable

relative importance	rank	standard deviations	Mean	Variables	الرقم
Too high	1	0.33	4.42	Financial control according to the cash basis	1
High	3	0.32	3.66	Administrative control according to the cash basis	2
Too high	2	0.42	4.31	Internal check according to the cash basis	3
High		0.21	4.00	The general scale	

It should be noted from Table No. (17) that the responses of the study sample working in financial positions and internal auditing in the ministries of the State of Kuwait towards the dimensions of

the independent variable (the accounting basis) ranged between (3.66 - 4.42), while the general arithmetic average of the independent variable (the accounting basis) According to the responses of the study sample, it was (4.00) with a standard deviation of (0.21) and with a high level of importance on the five Likert scale, which indicates the high level of following the accounting basis in the ministries of the State of Kuwait. It is noticed that the financial control dimension according to the cash basis came first in terms of importance with an arithmetic mean (4.42), a standard deviation of (0.33) and a very high relative importance, and this result indicates the high importance of the financial control dimension according to the cash basis from the point of view of workers in Financial functions and internal auditing in the ministries of the State of Kuwait are among all the dimensions of the accounting basis, as they believe that this dimension leads to an increase in the effectiveness of measures controlling public expenditures in the State of Kuwait to a very high degree. It also came after internal check according to the cash basis, in second place in terms of importance, with an arithmetic average (4.31), a standard deviation of (0.42), and a very high relative importance, while it came in the last place after administrative control according to the cash basis with an arithmetic mean (3.66) and a standard deviation (0.32) and of high relative importance.

This result can be explained by the fact that financial control in the public sector is related to all the details of revenues and expenditures that are received and paid from public funds, in addition to ensuring the proper use of public funds for the purposes assigned to them, which is what the cash basis contributes to achieving, as the application of the basis Cash ensures that the expenditures of different financial periods do not overlap, and therefore the process of auditing those expenditures does not require complex analytical processes, as it limits the possibility of manipulation and fraud, in addition to that the cash basis increases the ability to follow up the implementation of the set plan and evaluate the performance in the units and make sure of the implementation is proceeding according to the established policies and the detection of any deviation and the deficiencies that may be in the performance to take the necessary measures and identify the methods that would lead to the achievement of the highest levels of performance.

With regard to internal check, the cash basis contributes to strengthening the accounting, statistical and material means and procedures that work to protect assets from theft, embezzlement, loss and misuse, as it is possible to ascertain the level of spending on assets protection means, and the

expenditures of the different fiscal periods according to the cash basis do not overlap double control that depends on the participation of more than one person to accomplish a certain spending process, in addition to its contribution to achieving continuous automatic control over spending operations through the distribution of duties within the government accounting unit.

Administrative control solutions can be interpreted according to the cash basis in the last rank because of their nature that aims to ensure the progress of work according to the policies and plans established to achieve the goals of the government unit, and therefore it focuses on work procedures in general more than on spending and timing operations, and the administrative control is concerned with preparing Periodic reports of the flow of information during the various administrative levels, and the preparation of training programs that assist in the fulfillment of the responsibilities specified and raise the efficiency of performance, and thus the accounting basis used will have less impact on it than its effect on financial control.

With regard to the effectiveness of control measures on public expenditures, the results indicate the responses of the study sample working in financial positions and internal auditing in the ministries of the State of Kuwait towards the variable, the effectiveness of control measures on public expenditures, where the arithmetic averages of the paragraphs of this variable ranged between (4.22 - 4.71), while the arithmetic average the general variable of the dependent variable is the effectiveness of control measures on public expenditures according to the responses of the study sample. It was (4.53) with a standard deviation of (0.36) and with a very high level of importance on the five Likert scale.

Second: Test hypotheses of the study

Test main hypothesis

Table No. (4) results of the simple regression analysis test of the effect of the accounting basis followed in the government accounting system in the State of Kuwait on the effectiveness of control measures for public expenditures

Sig t*	t-value	Standardized Coefficients	Unstandardized Coefficients		Independent variable
		β	St. Error	B	The accounting basis followed in the government accounting system in the State of Kuwait
0.000	9.522*		0.246	2.339	Fixed
0.000	8.919*	0.487	0.061	0.548	accounting basis
Sig. F	F		R ²	R	
0.000	79.552*		0.237	0.487*	

* The effect is statistically significant at ($\alpha \leq 0.05$).

The results of Table No. (4) show that the independent variable (the accounting basis) was able to explain (23.70%) of the change in the dependent variable (the effectiveness of control measures on public expenditures in the State of Kuwait), where the value of the determination coefficient reached ($R^2 = 0.2370$). The remainder of the unexplained variance, whose value is (0.7630), is attributed to other factors other than it in the model, and the correlation coefficient ($R = 0.487$) at a level of significance ($\alpha \leq 0.05$). The results showed that the calculated value of (F) (79.552), which is greater than its tabular value and a statistically function at the level of significance ($\alpha \leq 0.05$). The value of his beta coefficient was ($\beta = 0.487$), which is of significant significance, as the value of (t) computed for him was (8.919) and with a significant level (Sig = 0.000). Based on these results, we reject the null hypothesis and accept the alternative hypothesis, which states:

There is a statistically significant effect at the level of significance ($\alpha \leq 0.05$) of the cash basis on the effectiveness of control measures for public expenditures in the State of Kuwait.

The first sub-hypothesis test

Table No. (5) the results of the simple regression analysis test of the effect of the accounting basis used in accordance with the financial control on the effectiveness of control measures on public expenditures

Sig t*	t-value	Standardized Coefficients	Unstandardized Coefficients		Independent variable
		β	St. Error	B	The accounting basis followed in the government accounting system in the State of Kuwait
0.243	-1.169		0.181	-0.212	Fixed
0.000	26.201*	0.853	0.041	1.072	Financial control according to the cash basis
Sig. F	F		R ²	R	
0.000	686.479*		0.728	0.853*	

* The effect is statistically significant at ($\alpha \leq 0.05$).

The results of Table No. (5) show that the independent variable (the accounting basis followed according to financial control) was able to explain (72.80%) of the change in the dependent variable (the effectiveness of control measures on public expenditures in the State of Kuwait), where the value of the determination coefficient reached ($R^2 = 0.7280$), and the remainder of the unexplained variance of (0.2720) is attributed to factors other than it in the model, and the correlation coefficient reached ($R = 0.853$) at a level of significance ($\alpha \leq 0.05$).

The results showed that the calculated value of (F) reached (686.479), which is greater than its tabular value and a statistically function at the level of significance ($\alpha \leq 0.05$). The value of his beta coefficient was ($\beta = 0.853$), which is of significant significance, as the value of (t) computed for him was (26.201) and with a significant level (Sig = 0.000). Based on these results, we reject the first null hypothesis and accept the alternative hypothesis, which states:

There is a statistically significant impact at ($\alpha \leq 0.05$) for the cash basis on the effectiveness of financial control procedures for public expenditures in the State of Kuwait

The second sub-hypothesis test

Table No. (6) results of the simple regression analysis test of the effect of the accounting basis used in accordance with the administrative control on the effectiveness of control measures on public expenditures

Sig t*	t-value	Standardized Coefficients	Unstandardized Coefficients		Independent variable
		β	St. Error	B	The accounting basis followed in the government accounting system in the State of Kuwait
0.000	13.536*		0.223	3.023	Fixed
0.000	6.748*	0.389	0.061	0.411	Administrative control according to the cash basis
Sig. F	F		R ²	R	
0.000	45.531*		0.151	0.389*	

* The effect is statistically significant at ($\alpha \leq 0.05$).

The results of Table No. (21) show that the independent variable (the accounting basis followed according to the administrative control) was able to explain (15.10%) of the change in the dependent variable (the effectiveness of control measures on public expenditures in the State of Kuwait), where the value of the determination coefficient reached ($R^2 = 0.1510$) and the remainder of the unexplained variance, whose value is (0.8490), is attributed to factors other than it in the model, and the correlation coefficient ($R = 0.389$) reached a level of significance ($\alpha \leq 0.05$). The results showed that the calculated value of (F) reached (45,531), which is greater than its tabular value and statistically significant at the level of significance ($\alpha \leq 0.05$). The value of his beta coefficient was ($\beta = 0.389$), which is of significant significance, as the value of (t) computed for him was (06.748) and with a significant level (Sig = 0.000). Based on these results, we reject the second null hypothesis and accept the alternative hypothesis, which states:

There is a statistically significant effect at the level of significance ($\alpha \leq 0.05$) of the cash basis on the effectiveness of administrative control procedures for public expenditures in the State of Kuwait

The third sub-hypothesis test

Table No. (22) results of the simple regression analysis test of the effect of the accounting basis followed according to internal control procedures on the effectiveness of control measures on public expenditures

Sig t*	t-value	Standardized Coefficients	Unstandardized Coefficients		Independent variable
		β	Sta. Error	B	The accounting basis followed in the government accounting system in the State of Kuwait
0.000	18.709*		0.183	3.430	Fixed
0.000	5.999*	0.351	0.042	0.255	Internal check according to the cash basis
Sig. F	F		R ²	R	
0.000	35.983*		0.123	0.351*	

* The effect is statistically significant at ($\alpha \leq 0.05$).

The results of Table No. (22) show that the independent variable (the accounting basis followed according to internal check) was able to explain (12.30%) of the change in the dependent variable (the effectiveness of control measures on public expenditures in the State of Kuwait), where the value of the determination coefficient reached ($R^2 = 0.1230$) and the remainder of the unexplained variance, whose value is (0.8770), is attributed to factors other than it in the model, and the correlation coefficient reached ($R = 0.351$) at a level of significance ($\alpha \leq 0.05$). The results showed that the calculated value of (F) reached (35.983), which is greater than its tabular value and statistically significant at the level of significance ($\alpha \leq 0.05$). The value of his beta coefficient was ($\beta = 0.351$), which is of significant significance, as the value of (t) computed for him was (5.999) and with a significant level (Sig = 0.000). Based on these results, we reject the third null hypothesis and accept the alternative hypothesis, which states:

There is a statistically significant effect at the level of significance ($\alpha \leq 0.05$) of the cash basis on the effectiveness of internal check procedures for public expenditures in the State of Kuwait

It is noted on the previous results that the independent variable (the accounting basis followed according to the financial control) as one of the dimensions of the accounting basis, had the largest impact on the effectiveness of control procedures in the government system in the State of Kuwait, where the value of the effect reached its beta (0.853), followed by the second place In terms of the independent variable effect (the accounting basis followed according to the administrative control), where the value of the effect reached its beta (0.389), while it was in the last place in terms of the independent variable effect (the accounting basis followed according to the internal control) where the value of the effect reached its beta β (0.351).

Conclusion

By analyzing the questions of the study tool, and testing its hypotheses, the following results can be drawn up:

1. The arithmetic averages of the items after financial control according to the cash basis ranged between (3.02 - 4.71). The mean of the financial control dimension according to the cash basis according to the responses of the study sample was (4.42) with a standard deviation of (0.33) and with a very high level of importance.
2. The arithmetic averages of the items after administrative control according to the cash basis ranged between (2.24 - 4.59), while the mean of the administrative control dimension according to the cash basis according to the responses of the study sample was (3.66) with a standard deviation of (0.32) and with a high level of importance.
3. The arithmetic averages of the items after the internal check according to the cash basis ranged between (3.30 - 4.70), while the mean of the internal check dimension according to the cash basis according to the responses of the study sample was (4.31) with a standard deviation of (0.42) and with a very high level of importance.
4. Financial control was ranked first in terms of its importance in the effectiveness of control measures on public expenditures, and internal control came in second place, while administrative control came in third place
5. The existence of an effect of the cash basis followed in the governmental accounting system in the State of Kuwait on the effectiveness of control measures for public expenditures.

6. The existence of an effect of the cash basis followed in accordance with the financial control on the effectiveness of control measures for public expenditures.
7. The existence of an effect of the cash basis followed in the governmental accounting system in the State of Kuwait on the effectiveness of administrative control of public expenditures.
8. The existence of an effect of the cash basis followed in the governmental accounting system in the State of Kuwait on the effectiveness of internal check procedures in monitoring public expenditures.

Recommendations

In light of the findings of the study, the researcher provides the following recommendations:

1. The continuity of following the cash basis in the governmental accounting system in the State of Kuwait due to its impact on the effectiveness of control procedures (the effectiveness of financial control procedures, the effectiveness of administrative control procedures, and the effectiveness of internal control procedures) of public expenditures.
2. Serious endeavor to modernize the means that help develop the control system and contribute to activating the control procedures on public expenditures.
3. The need to intensify efforts to provide specialized training courses for cadres of government accounting units, with the aim of continuing to maintain the applied control system and increase its effectiveness.
4. The necessity of strengthening the role of management oversight over public expenditures, and linking them to the accounting system applied in government units in the State of Kuwait.

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