

New developments in the practice of public accounting under Law 23-07

"Field Study for an Educational Institution"

Aida Anouar¹ / Hadjeris Souhila²

¹Chadli Bendjedid University - El Tarf, aida.anouar@univ-eltarf.dz

²Chadli Bendjedid University - El Tarf, s.hadjeris@univ-eltarf.dz

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Abstract:

This study aims to give a picture of the new developments in the practice of the public accounting profession under Law 23-07 dated June 21, 2023 on the rules of public accounting and financial management, which abolished Law 90/21 dated August 15, 1990, by identifying the agents in charge of implementing the budget and financial operations, as well as knowledge of operations, revenues and expenses, treasury and property under Law 23-07, as well as new financial control operations. Through the field visit to the educational institution, the method of keeping accounting records was known by the public accountant (economist) and the methods of arresting them and the purpose of the arrest process, and knowledge of the elements of the budget code of educational institutions based on Executive Decree No. 16-227 Specifying the Model Basic Law for the Intermediate. This study recommended the need to benefit from the experiences of countries by encouraging and exchanging experiences and information on public accounting, as well as paying attention to public accounting agents and working to increase their knowledge of international accounting standards in the public sector.

Keywords: public accounting, public accountant, educational institutions, budget.

Jel Classification Codes: :M410, G21.

Aida Anouar, aida.anouar@univ-eltarf.dz.

1.INTRODUCTION

In light of the current developments inside the global now, the field of accounting has also known a speedy improvement in the gear and ideas associated with accounting in general, in which public accounting is a machine that gives statistics that achieves complete disclosure of the results of the implementation of the general public price range, and enables the measurement of kingdom pastime financially and acquire manage over it and the implementation of the country strategy. The validity of the public accounting device in Algeria in accordance with global accounting requirements is an important step a good way to open the way for plenty modifications inside the common sense of control and in the function of accounting, and notwithstanding the predicted utility troubles which includes the difficulty of consumer formation and the fee of changing the accounting device, this fashion is a valid step on the way to toughen manipulate and rationalize public price range. In mild of the above, we pose the subsequent hassle:

What are the new trends inside the practice of the public accounting profession below Law 23-07?

In order to answer the main problem, we will divide it into several sub-questions as follows:

- Are there any amendments that affected the rules of public accounting and financial management within educational institutions?
- Has the budget model of educational institutions in Algeria been changed and has it become uniform?

Hypotheses of the study:

- There are many amendments that have affected the rules of public accounting and financial management within educational institutions.
- There is a change in the budget model of educational institutions in Algeria except at the intermediate and secondary levels, and it has become unified across all institutions.

Study Objectives :

This study seeks to reach a set of objectives, the most important of which are summarized below:

- Highlighting the theoretical literature of the subject of public accounting
- Knowledge of the foundations of public accounting in Algeria
- Addressing the agents in charge of implementing the budget in light of the new developments
- Addressing the method of keeping accounting records within educational institutions

Study Importance:

The importance of this study stems from the following:

- Addressing one of the important and contemporary topics.
- The results that this study will reveal and the recommendations that will be proposed in light of the findings.

Methodology:

In order to reach the best methods and methods to answer the problem of the study, the descriptive approach was adopted, which relies on collecting data and information that help to accurately describe the variables of the study and the various relevant influential elements. The analytical approach was also adopted through the axes of the field study within the educational institution and knowledge of financial and material management procedures.

2. Conceptual Introduction to Public Accounting

Before addressing the concepts related to public accounting, it is necessary to know the definition of the institution in general and the educational institution in particular.

2.1 Definition of the institution

The establishment is defined as the economic unit that practices the productive activity and related activities of storing, buying and selling in order to achieve the objectives for which the establishment was created.

An enterprise is defined as an economic dealer who produces goods and services for other dealers and as a result makes a profit (Rabia, 2016, 2017, p. 08).

2.2 Definition of the educational institution

It is a natural extension of the circle of relatives entrusted with the task of education and clinical education. On this basis, the faculty is the principle cell within the educational device. Education, as a efficient and strategic funding, is one of the first priorities of the nation that ensures the recruitment of capabilities and the essential method to fulfill the social call for for country wide training and respond to the wishes of countrywide improvement. This is in accordance with the provisions of the National Education Directive Law 04-08 dated 23/01/2008. It is a public academic institution that enjoys moral persona and monetary independence, wherein secondary and primary schooling may be secondary,

intermediate, internal or semi-inner or outside (Adnan Bakini and others, 2016, p. 02).

2.3 Definition of public accountant

He is an worker of the country, either attached to the Ministry of Finance or to any other public body. Once appointed, he turns into legally certified by using the Minister of Finance. This license authorizes him to eliminate public budget from gathering revenues or paying prices (Kanira & Abdelmadjid , 2022, p. 1598).

2.4 Definition of public accounting

Public accounting is technically defined as "the rules for the presentation of public bills and the enterprise of the general public accounting function". However, this definition is narrow, as it limits the which means of public accounting to the presentation of the debts of public bodies. However, its scope includes, in addition, the monetary operations of cashiers and public accountants and their obligations and duties.

From an administrative point of view, public accounting is described as "the regulations for the presentation of public debts and the company of the function of public accountants." However, this definition is likewise restrained with the aid of the truth that the executive characteristic on this definition is characterized by using the company of the characteristic of public accountants and excludes the company of the characteristic of fee orders in addition to diverse different elements that fall within the utility of public accounting guidelines (Hamla, 2022, p. 02).

2.5 Objectives of public accounting

Public accounting goals to offer objective and credible statistics and facts about public backside pastime. In this context, the targets of accounting can be diagnosed as follows:

- Public accounting objectives to discover real sales and costs and evaluate this with predicted expenditures and sales, with the goal of figuring out the causes of the actual and envisioned difference, after which taking corrective measures;
- Achieving effective administrative manage over the sales and expenses of the state, and showing the integrity of series and spending strategies in terms of their consistency with what's imposed by legal guidelines, rules and strategies to ensure the seriousness and legality of spending at the implementation of sports, applications and services and in keeping with the laws and rules regulating this;
- Providing the necessary records and records for coverage-making, planning, selection-making, manage and follow-up; for the overall performance of government administrative units;
- Tightening manage over assets owned through government administrative devices to protect and maintain them from loss, misappropriation or misuse;
- Disclosing the monetary and economic results of the sports and applications applied through government devices to comply with the fees of those programs and sports, as well as displaying the scale of the activities and operations completed (Yusuf, 2021, pp. 276, 277.).

2.6 Principles of public accounting in Algeria

- **Cash basis:** The cash basis depends on charging the final account of any fiscal year with the expenses actually paid during that fiscal year and the revenues for the same fiscal

year or to a previous or subsequent year.

- **Accrual basis:** This basis is based on the principle of independence of cycles, where all expenses associated with the period are recorded, even if they have not yet been spent. In return, revenues are recorded even if they have not been received. It also requires conducting inventories of both expenditures and departments to be recorded in the accounting cycle, which requires strict follow-up by public accountants.

- **Common basis:** This basis is considered a combination of the cash basis and the accrual basis by investing its advantages and avoiding the shortcomings of each basis (Alaabiya & Zarkine , 2016, p. 328.).

3.Revenue and expenditure operations, treasury and property in light of recent updates

3.1 Agents in charge of implementing the budget

3.1.1 Disbursement Officers

Every man or woman appointed, elected, or entrusted with the authority to perform budgetary and monetary operations and the property of legal persons shall be deemed an order for disbursement within the which means of this regulation .

The disbursement order shall be assigned to the subsequent:

- Proof of rights and obligations;
- Liquidation of sales and issuance of associated revenue orders;
- Ensuring compliance, liquidation, ordering disbursement or issuing charge remittances, in the limits of the credits opened or legal except for the assessment credits;
- issuing movement orders affecting assets and substances belonging to the State and other public our bodies;
- the upkeep of assets placed at his disposal;
 - The disbursement order additionally ensures the programming, provision and distribution of budget (Algeria, 2023).

3.1.2 Types of Disbursement Orders

- two main disbursement orders;
- two secondary disbursement orders;
- Two regional disbursement orders for the state budget (Algeria, 2023).

3.1.3 Cases of vicegerency, brief sense and authorization to signal (Articles 09 to 12)

3.1.4 Public Accountants

A public accountant will be considered any public reputable appointed or legally approved to carry out the operations noted in Article 24, Law No. 23-07 (Algeria, 2023).

The public accountant will be charged with the subsequent :

- collection of sales and charge of charges;
- Custody and safekeeping of funds, bonds, values, objects or materials;
- move of price range, bonds and values and motion of asset accounts;
- Maintaining budgetary accounting on the premise of the principle of fund accounting;
- Maintaining public accounting on the premise of the principle of mounted rights and duties;

- accounting restriction of non-constant values;
- Preparation of financial statements and management money owed;
- Keeping the helping documents and accounting files for the operations performed at the level of the accounting middle it manages (Algeria, 2023).

3.1.5 Classes of public accountants

- capable accountants or commissioners;
- Primary or secondary accountants;
- Money and fee accountants or accounting concentration (Algeria, 2023).

3.1.6 Powers and Obligations of Public Accountants

Public accountants shall take an oath before the equipped judicial authorities whose competence is the headquarters of the accounting middle, in line with the following formula:

I swear with the aid of Almighty God that I will do my work virtually and truly, preserve honesty and professional secrecy, respect the laws of the Republic and keep public cash, and God is witness to what I say (Algeria, 2023).

3.1.7 Conditions to be met before taking care of revenue orders

- Ensuring that the disbursement order is authorized under the laws and regulations in force, by issuing the revenue order,
- Physical monitoring, within the limits of the elements he owns, of the validity of revenue orders as well as cancellation orders and reductions and their conformity with the organization (Algeria, 2023).

3.1.8 Conditions to be met before covering expenses

- Respect for the code of supporting documents for alimony determined by regulation;
- The capacity of the disbursement officer;
- Availability of funds;
- Availability of liquidity except for the state budget;
- Justification of service performance;
- the accuracy of the calculation of the amount of debt;
- the accuracy of budgetary constraint;
- Existence of visas of the control bodies provided for in the applicable legislation and regulation;
- the exculpatory nature of the payment;
- Non-applicability of alimony or the existence of an objection (Algeria, 2023).

3.2 Financial operations

3.2.1 Revenue Operations

- **Administrative stage of revenues: (Articles 38 to 42)**Evidence, liquidation, and revenue order
- **Revenue Accounting Stage: (Articles 43 to 53)**Collection

3.2.2 Expense Operations

- **Administrative stage of expenses: (Articles 55 to 58)** Commitment, liquidation and order to disburse or release the payment transfer

- **The accounting stage of the expense:** (Articles 59 to 60)

3.2.3 Harnessing public accountants

- (**Articles 61 to 62**) In the event that the public accountant refuses to make the payment, the disbursement order can use the right of enlistment by exceeding this refusal and discharging him from personal and financial responsibility and turning to the disbursement order in writing and under his responsibility.

The public accountant shall send a current offer to the minister in charge of finance and to the accounting board, but the public accountant shall refuse to comply with the harness in the following cases:

- Non-provision of funds;
- Lack of liquidity;
- Lack of proof of service performance;
- the non-discharge nature of the payment;
- The absence of an obligated expenditure control visa or the visa of the competent transaction committee when such a visa is stipulated in the applicable regulation.

3.2.4 Treasury Operations

These are the operations of deposits and guarantees carried out at the level of the public treasury, which are carried out by public accountants.

3.2.5 Property Operations

The property of legal persons constitutes the total financial and non-financial assets

- Financial assets are available funds, deposits, and receivables.
- Non-financial assets are the collection of tangible and intangible property.

3.3 Accounting under Law 23-07

Article (80): Public accounting includes budget accounting, general accounting and cost analysis accounting.

Article (83): Public accounting shall be maintained for a civil year starting from 01 January until 31 December of the specified year.

3.3.1 Budget Accounting

Articles (84-85) Budget accounting is divided into liability accounting and fund accounting.

- Liability accounting: Budget expenditures are recorded with the title of the year in which they were committed.

- Fund accounting: Revenues and expenses are recorded under the title of the budget for the year that has been collected or paid by the public accountants, and this results in a result that represents the difference between the revenues collected and the expenses paid in the budget under the title of the designated fiscal year.

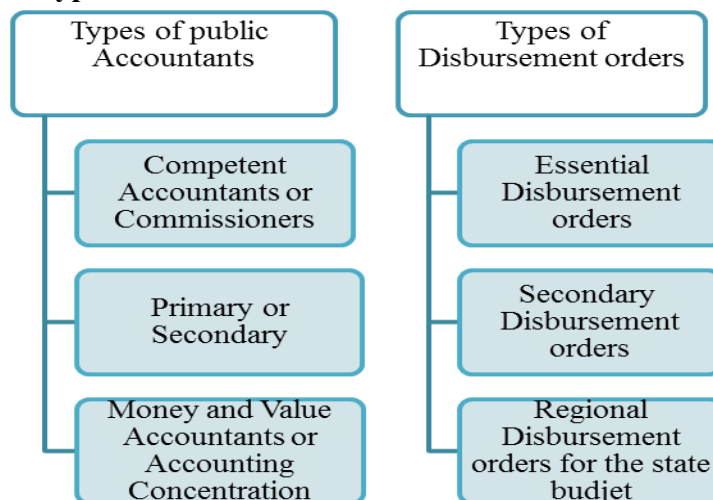
3.3.2 Public Accounting

Articles (87-91) : General accounting records the total movements that affect the property, the financial position and the result. This accounting is based on the principle of proving rights and obligations. Operations are taken into account during the fiscal year to which they relate, regardless of the date of payment or collection.

3.3.3 Cost analysis

Articles (92-93): Cost evaluation accounting, that's held with the aid of the disbursement officers, pursuits at the value of the various activities devoted to programs, with the intention of being able to assess their effectiveness.

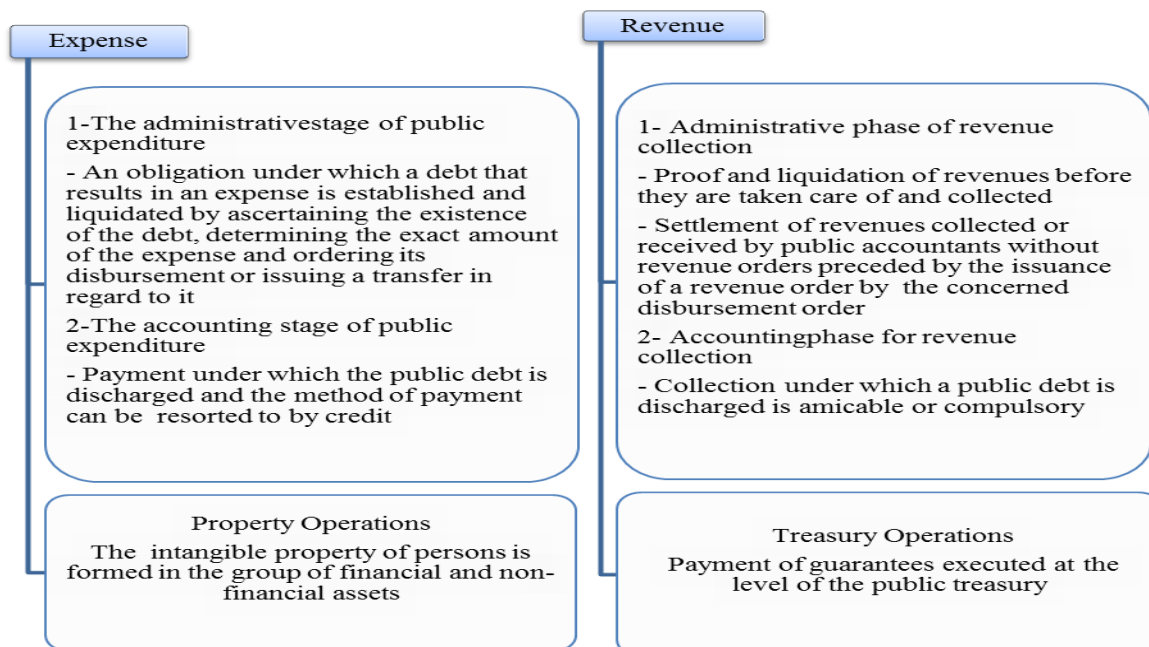
Fig.1. Types of Disbursement Orders and Public Accountant



Source: Prepared by the two researchers.

Through the above figure, it is clear to us how the types of cashiers and public accountants were determined under Law 23-07 of 21 June 2023 on the rules of public accounting and financial management, which repealed Law 90/21 of 15 August 1990.

Fig.2.shows all operations of revenues and expenses, treasury and property



Source: Prepared by the two researchers.

4. Financial control and responsibilities under Law 23-07

Through this part, the concept of financial control will be addressed, as well as knowledge of the types of financial control and responsibilities in a specialized manner under Law 23-07.

4.1 The concept of financial control

A set of methods executed through positive bodies as a way to preserve public budget and ensure their accurate, effective and in your price range collection and expenditure in accordance with what has been permitted by using the legislative authority within the finances and different financial laws, and in accordance with the plans set for the entities difficulty to govern.¹

4.2 Financial control in light of the new updates

Operations related to the implementation of the finances are problem to administrative, parliamentary and judicial manipulate

4.2.1 Administrative control: Article (99) includes administrative control over:

- Internal manipulate The typical strategies and techniques that permit the authority legitimate to ensure its right functioning, specially correct danger manipulate
- Proper manage is the manage of management over its interests
- Systemic control is the manage exercised by inspectorates and certified supervisory our bodies beneath the legislation and regulation in force
- Budgetary control is exercised by means of a budget controller under the authority of the minister in charge of finance.

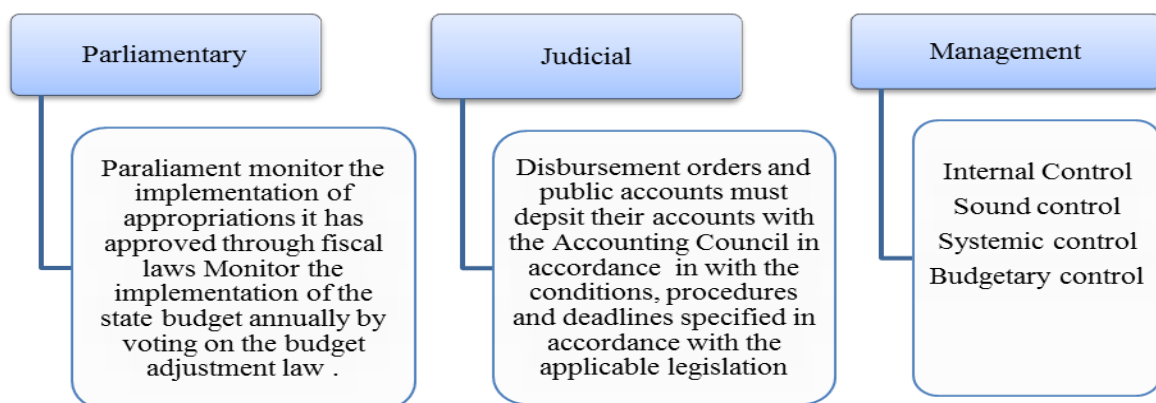
4.2.2 Judicial Supervision: Article (104)

Disbursement officers and public accountants shall deposit their accounts with the Accounting Council in accordance with the conditions and modalities, and within the deadlines specified in the legislation and regulation in force.

4.2.3 Parliamentary oversight: Article (106)

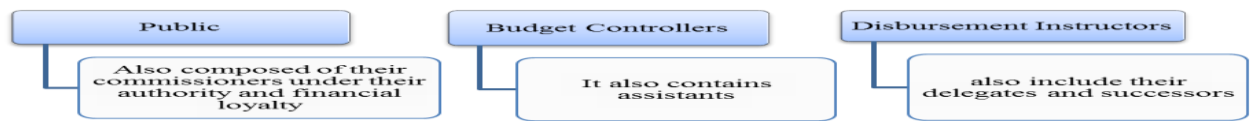
The Parliament shall monitor the implementation of the appropriations approved by the Finance Laws as well as the implementation of the State Budget annually by voting on the Budget Adjustment Law.

Fig.3.shows the types of control



Source: Prepared by the two researchers

Fig.4.shows the types of control



Source: Prepared by the two researchers

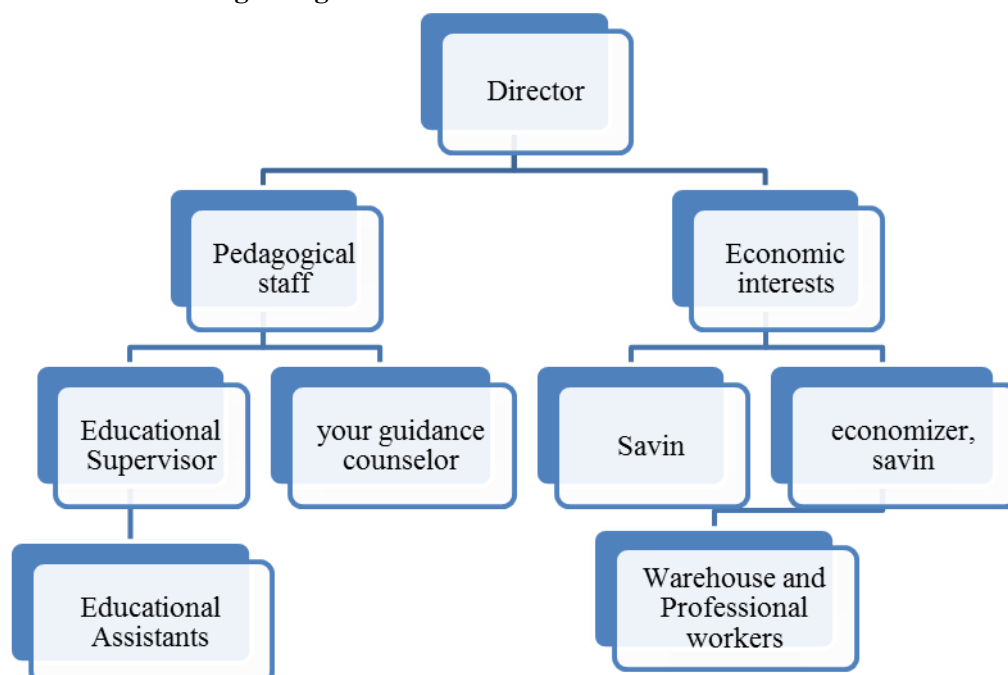
5. Field study

Through this carried out element and via the sector visit of the average martyr Mubarak Budabiya for the monetary 12 months 2023, in which he will first introduce the academic institution underneath examine, then learn about the upkeep of accounting statistics inside the instructional institution and the method of arresting them, after which gift the amended control budget of the group for the monetary 12 months 2023 in mild of the brand new traits in the exercise of the general public accounting profession.

5.1 Introducing the educational institution under study

The Martyr Mubarak Budabiya Foundation is an intermediate group located within the wilaya of El ouadi, inside the district of Reguiba, and it is one of the instructional establishments affiliated with the country wide training area, and by reviewing the outline card of the organization, its account quantity was acquired with the treasury, in addition to the mechanical range, the date of its status quo, and so on., and it's far an institution with a semi-internal machine, in which 335 students are taught, dispensed among ladies and men. The organization incorporates 14 school rooms, a laboratory for bodily sciences and herbal sciences, a geared up automatic media corridor, a sports stadium, similarly to the school eating place. In the subsequent, its organizational structure may be presented via the following shape:

Fig.5.Organizational Structure of the Foundation



Source: Prepared by the two researchers

5.2 Keeping accounting information in the academic institution and the approach of arresting them

Before the public accountant begins to use the statistics, the document must be reliable consistent with the applicable texts, and it must be respectable and geared up for use afterwards and stamped by way of the disbursement order. The following are the most crucial accounting information that the public accountant works with within the educational organization:

- Receipt e-book;
- Record of wills;
- Expense sign in;
- Cash ledger;
- The modern account book of the bereaved;
- cashier's day book;
- The daily e book of the Fund;
- Off-balance sheet ledger;
- Open ledger sign up with the treasury;
- Register of Proven Rights.

5.3 Objectives of Suspending Accounting Records

- Comparison: comparing accounts with various records to confirm their validity;
- Monitoring: facilitates the initial inspection control to fill out the documents for communication from guardianship, treasury, etc.;
- Follow-up: ensures that allowances and expected revenues are not exceeded;
- Accounting: The accounting rules oblige us to collect, suspend, control and control all accounts without any negligence or negligence;
- Statistics: The suspension of accounts helps to improve the statistics required by the disbursement officer or the accompanying departments in any field;
- Evaluative: Evaluating the volume of work and expenses, including management and its methods, by identifying some accounts;
- Preparatory: The good and complete suspension of accounts in a legal manner helps us to complete the various financial accounts without any trouble because it is an honest transfer of all accounts records, especially the financial account.

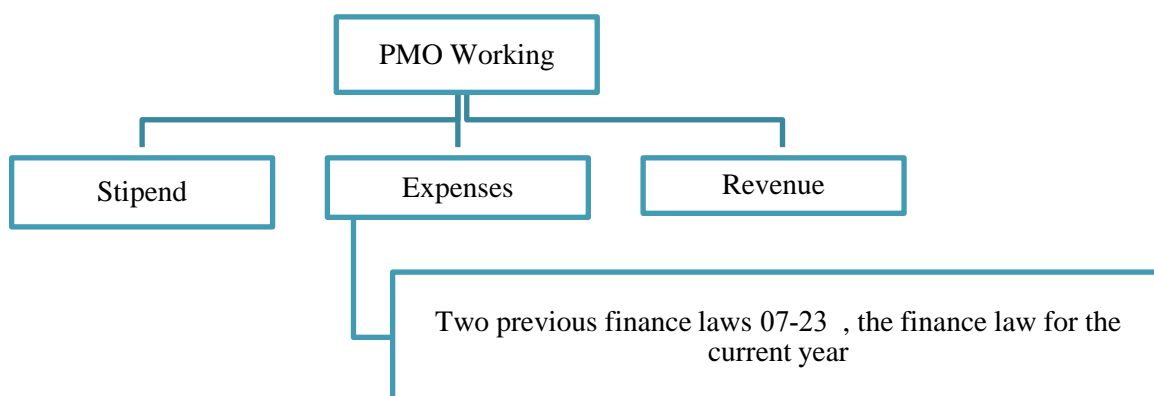
Table 1. shows the suspension of records

Number	Registry	P.O.	Month	Trp	Trp	annual
					In letters	
01	Receipt book	x	x		x	x
02	Revenue Log	x	x		x	x
03	Register of accounts opened with the Treasury			x		x
04	Off-stability sheet ledger			x		x
05	of charges Register	x	x		x	x
06	Schedule of Paid Remittances			x		x
07	Notebook, Cash, and Organizational Processes		x	x		x
08	Record of Installed Rights			x		x
09	Caterer's Register			x		x
10	Commitment book and budget follow-up			x		
11	Daily cash register	x				
12	Book of the day for the fund		x			

Source: Prepared by the two researchers based on documents provided by the public accountant

5.4 Regulating the affairs and management of economic interests

Fig.6.Regulating the affairs and management of economic



Source: Prepared by the two researchers based on documents provided by the public accountant.

5.5 Presentation of the budget code of the educational institution for the year 2023

Through this part, the budget of the Martyr Mubarak Foundation will be presented in its two parts of revenues and expenses.

Table 2. Shows the revenues of an institution during the year 2023

Doors.	Addresses	Financial income DA
Section 1	Management subsidies granted by the State	4,961,784.00
Contents	Subsidies granted by local groups, institutions and public bodies	0.00
Section 3	Gifts and bequests	0.00
Disarmament	Revenue associated with the enterprise activity	11,700.00
Section 5	Other Revenues	0.00
Section 6	Revenue from enrollment rights and families of pupils	3,350.00
Section 7	Catering Revenues	0.00
8 above).	Subsidy for exceptional educational activity	0.00
Section 9	Revenues for continuous improvement of the organized level at the state level, pre-promotion training expenses and exam expenses	0.00
Section 10	Revenues for encouraging in-service and remote training for primary education teachers	0.00
Section 11	Revenues for continuous improvement of the organized level at the regional and/or national level, pre-promotion training, exam expenses	0.00
Section I		4,976,834.00

Source: Prepared by the two researchers based on documents provided by the public accountant

Through the above table, we note that the total revenues of the institution during the fiscal year 2023 amounted to DZD 4,976,834.00, as the management subsidies granted by the state were the largest revenues of the institution. The institution also had other revenues

through revenues related to the activity of the institution, as well as revenues resulting from registration rights and families of students.

Table 3. It shows the expenses of the establishment during the year 2023

Doors.	Addresses	(iv) Allotments made; DA
Section 1	Reimbursement of Expenses	0.00
Contents	Attached Costs	338,000.00
Section 3	Supplies	142,000.00
Disarmament	Tools & Furniture	35,000.00
Section 5	Pedagogical supplies	23,450.00
Section 6	Food Expenses	3,996,000.00
Section 7	• Wearing Apparel	0.00
8 above).	Insurance	0.00
Section 9	Training Expenses	0.00
Section 10	Car Hangar	0.00
Section 11	Expenses of running detection and follow-up units (UDS)	0.00
Section 12	School Library Journal.	22,000.00
Section 13	Expenses related to cultural and sports activity	60,200.00
Section 14	Maintenance and repair of Bedouin and administrative buildings and ancillary structures	360,184.00
Section 15	Judicial expenses and compensation owed by the state	0.00
Section I		4,976,834.00

Source: Prepared by the two researchers based on documents provided by the public accountant

Through the above table, we note that the largest expenditures were allocated to food, considering that the institution has a semi-internal system, and other expenditures were allocated such as school library, tools and furniture, pedagogical supplies, etc.

6. CONCLUSION

Based on the treatment method we adopted, which combined the theoretical study and the field study of the Public Accountant Office within the educational institution, the researchers reached a set of results, the most important of which are summarized below:

- Through Law 23-07 - the obligations and responsibilities of the agents in charge of implementing budgets and financial operations of legal persons were determined;
- Under Law 23-07, the rules for the implementation of revenue and expenditure operations, treasury and property, and the accounting and control system were determined;
- The public accountant, under the supervision and responsibility of the disbursement officer, shall order disbursement on the side of proving and liquidating revenues and ordering and liquidating disbursement on the side of expenses;
- Through the field visit to the educational institution, it can be said that the public accountant realizes the importance of applying public accounting in Algerian educational institutions, and applies the instructions and directives related to Law 23-07, and the public accountant undertakes accounting records within the records and follows them up in an organized manner;
- Law 23-07 aims to define the rules of public accounting applicable to the budgets and financial operations of the state, for local groups, for administrative public institutions,

and for public health institutions;

- The rules of public accounting and financial management within educational institutions have undergone many amendments in light of recent updates through Law 23-27;

- Law 23-27 aims to define the rules of financial management applicable to the budgets and financial operations of the state, to local groups, to administrative public institutions, and to public health institutions;

- There is a change in the budget model of educational institutions in Algeria except at the intermediate level or at the secondary level, and its application has become uniform across all educational institutions.

From our findings, we propose the following recommendations:

- Encouraging a comparative study between foreign public institutions with Algerian public institutions and benefiting from them;

- Knowledge of international experiences applying International Public Sector Accounting Standards (IPSAS), taking care to benefit from them;

- The need to strengthen harmonious relations within the educational community and develop educational and social activities, as well as provide the educational means required to perform educational activities.

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