

ABSTRACT

Districts in Kenya use different approaches to prepare their financial statements to communicate financial results hence they lack uniformity, comparisons, relevance, reliability and understability. This research was set to determine the factors barring the adoption of International Public Sector Accounting Standards Reporting in Kisumu County. Objectives of the study were, to assess the role of Professional qualification on the implementation of International Public Sector Accounting Standards in Kisumu County, determine the policy framework associated with adoption of International Public Sector Accounting Standards in Kisumu County, establish the role of organizational framework on the adoption of International Public Sector Accounting Standards in Kisumu County. A conceptual frame work was used to guide the study reveals that professional qualification, policy framework and organizational framework are the challenges to the adoption of the IPSAS. The study population consisted of a total of 84 accounting staff in Kisumu County, which were 6 District Auditors, 6 County Finance Officers, 36 District Accountants and 36 District Administrators from Kisumu County. Saturated sampling technique was used to select 5 County Finance Officers, 5 District Auditors, 24 District Accountants and 24 District Administrators. The instruments of data collection were questionnaires and interview schedules. The questionnaires were administered to District Accountants District Administrators while the interviews were conducted to the County Finance Officers and District Auditors. Content validity of the instruments was ascertained by experts from the School of Business Studies and Economics, Jaramogi Oginga Odinga University of Science and Technology. A pilot study was carried out in all the six Districts within the county with 1 Auditor, 1 County Finance Officer, 6 District Accountants and 6 District Administrators which were not part of the main study to establish the reliability of the instruments by using the outcome to remove the ambiguities, inconsistencies and weaknesses noted. Quantitative data from closed-ended questionnaire were analyzed multiple linier regression and descriptive statistics such as frequency counts, percentages and means. Qualitative data from open-ended sections of the questionnaires and interviews were analyzed by organizing the content into themes and sub themes as they emerged, then tallied and presented through phrases. The study revealed that The accounting officers have poor attitude towards IPSAS reporting system, there are inadequate trained personnel to help implement IPSAS reporting system, adoption of IPSAS reporting depends on policy structure that is lacking, there was laxity in enforcing policies from the central government and that there was lack of proper structure at Kisumu County to enable the adoption of IPSAS. The study recommended that: Accounting institutions charged with regulation and certification of IPSAS should carry out regular monitoring so as to ensure expected standards are met in application of IPSAS for its efficiency. Both central and county governments should put policy framework to enable the accounting professionals implement IPSAS. The study also recommended that the government should establish project implementation structures and teams with requisite capacity to oversee the process. Establish time frame and given magnitude of the project, possibly consider the phased approach in planning and project execution. Finally Kisumu County should put structure in place to enable the adoption of IPSAS financial reporting system.