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Original Article

Comparative Comparison of Traditional Accounting and Budgeting System with GASB.34 (Case Study of Kerman University of Medical Sciences)

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ABSTRACT

This research was conducted with the aim of comparing the comparative traditional accounting and budgeting system with GASB.34. The research method was descriptive of causal type. The statistical population of this research included all financial assistants, financial experts, accountants and auditors of Kerman University of Medical Sciences in 2017 composed of 220 individuals who were selected by sampling method according to Morgan table. The data gathered from the Babakhani questionnaire (2014) with validity and reliability of 0.70 and 0.83, respectively. Data analysis was performed using spss21 software and descriptive and inferential statistics such as mean, standard deviation and independent t-test were used. The results of the research revealed that; the principles of accounting and financial reporting capabilities, independent accounts number, variety of independent accounts, capital asset registration, long-term debt, measurement criterion, budgeting and control of the budget, financing, classification principle of transfer funds accounts from the years before the current year's earnings and expenditures from the current period costs and annual financial reporting by GASB.34 method and the traditional method had a significant difference, and in all principles of the GASB.34 method were higher and better than the traditional method.

Keywords: GASB.34, Traditional, Comparison, Accounting system, Budgeting.

Introduction

Public sector accounting continued to dominate the twentieth century with an emphasis on measuring the flow of funds, and the basis for cash accounting. At this time, the discussion of "New Public Management" was introduced. Under the philosophy of modern public management, private sector management models and practices had been widely used in the public sector. In the same vein, the private/commercial accounting system was used as a useful tool to overcome the traditional cash-based public accounting problems, specifically for controlling non-monetary resources. In this regard, the accrual basis for public sector accounting was taken into consideration. The beneficial approach to decision-making has also been followed by the private sector as the goal of public sector financial reporting (Ajiri,

2016). However, perceiving the fundamental differences in environmental characteristics gradually, and consequently stakeholders, and their needs, changed the dominant approach to accountability. At the present time, the main purpose of the accounting system along with other systems is to help improve the level of responsiveness (Stewart, 2017).

It should be noted that one of the major items with a significant share in determining the price is the cost of providing physical space and office buildings and other buildings needed because of the non-legality of such costs are usually hidden. Therefore, the use of accrual accounting for calculating the cost of services for the calculation of profits and losses seems necessary; however, the officials of the country carry out preliminary planning to carry out it, and the following laws are being drafted and complete it on the agenda (Haji Karimian, 2012).

Governments elected by popular vote (whether nationally or locally) are responsible for responding to their actions to citizens. Given that accountability in such communities is a report on how to use public resources, achieve the desired goals and carry out the responsibilities, the public accounting and reporting system is one of the main means of transferring information in this area and helps the governments to fulfill their accountability task correctly. According to the US State Accounting Standards Board, "Government accountability is based on the principle that citizens have the right to know, this right includes being able to easily understand the revealed facts" (Babajani, 2004). Therefore, the reports provided by the state accounting and reporting system help the government fulfill their duty of accountability, and on the other hand, also assist its citizens and their legal representatives in assessing the public accountability of the government (Stewart, 2017).

Most developed countries such as the United States, Britain, Australia, New Zealand, and ... have developed and implemented their accounting and reporting systems for their local and state governments based on the accountability-based theoretical framework (Babajani, 2003). In the United States, the State Accounting Standards Board is responsible for drawing up public accounting standards, which issued its Statement No. 34 in 1999 entitled "Basic Financial Statements and Reports of Analysis and Management Analysis in Government Departments". In this statement, the Board provided the principles that would enhance the level of accountability of the government (Malekian *et al.,* 2011). Given the importance of accountability concept as the basis of accounting and financial reporting in the public and non-profit sector, accounting objectives in this section are based on this concept; so that, the first objective of the state accounting system is to provide information that can help users in assessing accountability and political, economic, and social decision-making.

Principles and standards of implementation have been developed in order to achieve the objectives of the state accounting system. In view of above statements and another perspective in which university is representative of the government in the global custom and like the government carries out all its financial activities within the framework of the budget law, it is therefore necessary that their accounting and budgeting structures be reviewed and best practices and patterns are provided to improve the organization's accounting and budgeting system in accordance with the principles and standards of government accounting based on accountability. One of the tasks of the

accounting and budgeting system is its accountability, and variety of accounting systems that are commonly known have been developed for accountability and used in Iranian organizations. One of the new methods used in advanced countries is GASB.34 (Governmental Accounting Standards Board Statement 34). It seeks to make best accountability to government agencies. This accountability based on the principles and standards of public accounting by the Board of Government Accounting Standards, statement No. 34 in 1999 is as following:

- ✓ Accounting and financial reporting capabilities
- ✓ Independent accounts number
- ✓ Variety of independent accounts
- ✓ Capital asset registration
- ✓ Principle of long-term debt
- ✓ Measurement criterion
- ✓ Budgeting and control of the budget
- ✓ Financing
- ✓ Classification principle of transfer funds accounts from the years before the current year's earnings and expenditures from the current period costs
- ✓ Annual financial reporting (Babajani, 2003)

It should be noted that in the Statement of the 34 Accounting Standards Board, Government Accounting Standards Board in the 1997, issued a proposed text called basic financial statements and a report on management studies and analyzes in government departments. According to this proposed text, each government organization should prepare and submit two separate sets of financial statements; a collection that is related to the entire government unit and is based on the flow of economic resources using a full commitment basis provided. The other set up at the level of the independent accounts is based on the flow of funds and the use of a cash-settled accruals basis. Other major changes proposed in this proposed text include the reporting of all associated capital assets and depreciation and all of the underlying assets in the financial statements relating to the entire government unit, along with supplementary information on management reviews and analyzes (Aslani, 2000).

As the results of Babajani (2004) studies reveals; there is a significant difference between the efficiency of the traditional accounting principles and the principles outlined in Statement 34 of the Accounting Standards Board. Chan (2003) findings indicate; the GASB.34 response rate in government agencies is higher than public accounting. Given the above, the present study seeks to answer the question whether the accountability of traditional accounting and budgeting system differs from GASB.34?

Research Background

Babajani (2004) conducted an investigation aimed at "assessing the accountability of accounting and reporting system of Islamic Republic of Iran". In their research, they state: the government-run accounting system does not have the capacity and capabilities to control approved programs, identify and record actual financial and financial revenues, and reflect the status and results of financial operations, each of its independent sources. He argues: the government's accounting system does not have the capability to control approved programs, identify and record actual financial revenues and expenses, reflect the state of affairs and the results of financial operations of each independent source. Although, ministries and state institutions are reporting financially through monthly and annual financial statements, they are still unable to take on financial responsibility. On the other hand, the state of affairs and the results of government financial operations, as the main reporting unit are not reflected in comprehensive and

integrated annual and interim financial reports. For this reason, the government does not fulfill its duty to respond to the people and their legal representatives on the use of public funds in an orderly and complete manner. The results of this study indicate that, there are currently no binding rules and regulations for the formulation of the theoretical framework, principles and standards of government accounting and reporting, and the development of the accounting system in place.

Mahdavi and Funnell (2008), in their article entitled "Accountability in the Public Sector and Accounting Information System in the Islamic Republic of Iran", while studying the specific characteristics of the government and Islamic state in Iran had addressed the subject of public accounting and its relationship with culture provided suggestions for changing the accounting system of Iran with explaining Public accounting in Iran. The authors finally concluded that, they have introduced changes in the accounting system of Iran. They finally found that; a change in the accounting system of the Iranian government is necessary, since the current methods of state accounting do not have the ability to meet the goals of the general resources of society. In addition, the system does not have the ability to provide the necessary information for effective control of public funds and assets. In the context of accounting, the existence of a cash basis in the budgeting system is another weakness of the system.

Barton (2010) in his study aimed at examining "the reasons for the success of accounting accrual compared to public accounting". One of the reasons for the success of accrual accounting is that it meets the needs of information users, and also coordinated with changes in the business environment. Similarly, public accounting should also lead to meeting users' information needs. To this end, public sector accounting standards provide users with information on resource management, taking into account the characteristics of the public goods market and emphasizing the concept of public accountability.

While Chan (2003) investigating the role of accounting information in accountability at different levels of government and expressing public accounting objectives and its differences with the accounting of private institutions believed that; the government volunteered to disclose information to enter others in transfer and allocate resources, including providing information for potential buyers of government bonds, credit providers of goods and services, and donors. This information is used only to predict the ability of the government to fulfill its responsibilities. Thus, governments do not pay attention to the needs of other users who do not have the power to force the government to disclose in the short term. In other words, the government has no incentive to provide information to each taxpayer. It is here that the existence of binding accounting standards forces the government to provide enough information to make decisions by other users who have the executive power required to meet their demand.

Methodology

The present study is based on a causal-comparative descriptive research method and, in terms of purpose is an applied research that has been used to collect data using field research. The statistical populations of this research include all financial assistants, financial experts, accountants and auditors of Kerman University of Medical Sciences in 2017 composed of 220 individuals who are selected by sampling method according to Morgan table. To compare the traditional accounting and budgeting system with

GASB.34 (Statement No. 34, Basic Financial Statements and Analysis reporting as well as Management Analysis in Government Departments), the Babakhani Questionnaire (2014) has been used in this research. The questionnaire has 10 questions about the 10 accounting principles of government agencies, which respondents express their opinion on applying it. The scale is 5 Likert degrees, which is including: Score 5, completely possible; Score 4, possible; Score 3, I do not have any opinion; Score 2, impossible; and Score 1, it is not possible in any way. The validity of this questionnaire is 0.72. Also, the reliability coefficient of the questionnaire is 0.83 for the traditional method and 0.78 for the GASB.34 method, using the Cronbach's alpha method. Descriptive statistics including mean and standard deviation and inferential statistics of independent t-test have been used to analyze the data. Different statistical methods have been used to analyze the data using SPSS software and a significant level was used to confirm the research hypotheses (α=0.05). SPSS software has been used to analyze the data in different stages of statistical calculation and significant level used to confirm the research hypotheses (α=0.05).

Findings

Hypothesis 1: There is a significant difference between the GASB.34 and traditional method in terms of the principle of accounting and financial reporting capabilities.

Comparison the mean of accounting and financial reporting capabilities shows that at the descriptive level, the GASB.34 method score is higher (standard deviation=3.10 and mean=3.67) from the mean of the traditional method (standard deviation=1.13 and mean=3.30). Independent t-test has been used to compare the means due to the equality of variances. Considering the calculated p-value equal to 0.008 which is smaller than the significance level of α=0.05; the zero hypotheses is rejected, so there is a significant difference between the two methods. As a result, it can be said that; there is difference between the principle of accounting and financial reporting capabilities in GASB.34 and traditional method. The principle of accounting and financial reporting capabilities with (GASB.34) is higher and better than traditional method (Table 1).

Hypothesis 2: There is a significant difference between the GASB.34 and traditional method in terms of the principle of independent accounts number.

Comparison the mean of independent accounts number shows that at the descriptive level, the GASB.34 method score is higher (SD=0.99 and mean=3.67) from the mean of the traditional method (standard deviation=1.13 and M=3.71). Independent t-test has been used to compare the means due to the equality of variances. Considering the calculated p-value equal to 0.001 which is smaller than the significance level of α=0.05, the zero hypotheses is rejected; so there is a significant difference between the two methods. As a result, it can be said that; there is difference between the principle of independent accounts number in GASB.34 and traditional method. The independent accounts number with (GASB.34) is higher and better than traditional method (Table 2).

Hypothesis 3: There is a significant difference between the GASB.34 and traditional method in terms of the principle of variety of independent accounts.

Comparison the mean of variety of independent accounts shows that at the descriptive level, the GASB.34 method score is higher (SD=1.08 and mean=3.77) from the mean of the traditional method (standard deviation=1.07 and M=3.14). Independent t-test has been used to compare the means due to the equality of variances. Considering

the calculated p-value equal to 0.001 which is smaller than the significance level of α=0.05, the zero hypotheses is rejected; so there is a significant difference between the two methods. As a result, it can be said that; there is difference between the principle of variety of independent accounts in GASB.34 and traditional method. The variety of independent accounts with (GASB.34) is higher and better than traditional method (Table 3).

Table 1. T-test for comparison of the principles of accounting and financial reporting capabilities by the GASB.34 method and the traditional method.

Statistics	GASB.34 method		Traditional method		Number	Mean difference	T Statistics	Degrees of freedom	Significant level
	Mean	Standard deviation	Mean	Standard deviation					
Principle of accounting and financial reporting capabilities	3.67	3.10	3.30	1.13	139	0.37	2.71	138	0.008

Table 2. T-test for comparison of the independent accounts number by the GASB.34 method and the traditional method

Statistics	GASB.34 method		Traditional method		Number	Mean difference	T Statistics	Degrees of freedom	Significant level
	Mean	Standard deviation	Mean	Standard deviation					
Independent accounts number	3.71	0.99	3.26	1.04	139	0.45	3.47	138	0.001

Table 3. T-test for comparison of the independent accounts number by the GASB.34 method and the traditional method.

Statistics	GASB.34 method		Traditional method		Number	Mean difference	T Statistics	Degrees of freedom	Significant level
	Mean	Standard deviation	Mean	Standard deviation					
Independent accounts types	3.76	1.08	3.14	1.07	139	0.62	4.71	138	0.001

Hypothesis 4: There is a significant difference between the GASB.34 and traditional method in terms of the principle of capital asset registration.

Comparison the mean of capital asset registration shows that at the descriptive level, the GASB.34 method score is higher (SD=1.08 and mean=3.83) from the mean of the traditional method (standard deviation=1.21 and M=3.17). Independent t-test has been used to compare the means due to the equality of variances. Considering the calculated p-value equal to 0.001 which is smaller than the significance level of α=0.05, the zero hypotheses is rejected; so there is a significant difference between the two methods. As a result, it can be said that; there

is difference between the principle of capital asset registration in GASB.34 and traditional method. The independent accounts number with (GASB.34) is higher and better than traditional method (Table 4).

Table 4. T-test for comparison of the capital asset registration by the GASB.34 method and the traditional method.

Statistics	GASB.34 method		Traditional method		Number	Mean difference	T Statistics	Degrees of freedom	Significant level
	Mean	Standard deviation	Mean	Standard deviation					
Capital asset registration	3.83	1.08	3.17	1.21	139	0.66	4.47	138	0.001

Hypothesis 5: There is a significant difference between the GASB.34 and traditional method in terms of the principle of long-term debt**.**

Comparison the mean of long-term debt shows that at the descriptive level, the GASB.34 method score is higher (SD=0.94 and mean=3.61) from the mean of the traditional method (standard deviation=1.03 and M=3.18). Independent t-test has been used to compare the means due to the equality of variances. Considering the calculated p-value equal to 0.001 which is smaller than the significance level of α=0.05, the zero hypotheses is rejected; so there is a significant difference between the two methods. As a result, it can be said that; there is difference between the principle of long-term debt in GASB.34 and traditional method. The long-term debt with (GASB.34) is higher and better than traditional method (Table 5).

Table 5. T-test for comparison of long-term debt by the GASB.34 method and the traditional method.

Statistics	GASB.34 method		Traditional method		Number	Mean difference	T Statistics	Degrees of freedom	Significant level
	Mean	Standard deviation	Mean	Standard deviation					
Long-term debt	3.61	0.94	3.18	1.03	139	0.43	3.45	138	0.001

Hypothesis 6: There is a significant difference between the GASB.34 and traditional method in terms of the principle of measurement criterion.

Comparison the mean of measurement criterion shows that at the descriptive level, the GASB.34 method score is higher (SD=1 and mean=3.58) from the mean of the traditional method (standard deviation=1.08 and M=3.11). Independent t-test has been used to compare the means due to the equality of variances. Considering the calculated p-value equal to 0.001 which is smaller than the significance level of α=0.05, the zero hypotheses is rejected; so there is a significant difference between the two methods. As a result, it can be said that; there is difference between the principle of measurement criterion in GASB.34 and traditional method. The measurement criterion with (GASB.34) is higher and better than traditional method (Table 6).

Hypothesis 7: There is a significant difference between the GASB.34 and traditional method in terms of the principle of budgeting and control of the budget.

Comparison the mean of budgeting and control of the budget shows that at the

descriptive level, the GASB.34 method score is higher (SD=1.12 and mean=3.50) from the mean of the traditional method (standard deviation=1.18 and M=3.03). Independent t-test has been used to compare the means due to the equality of variances. Considering the calculated p-value equal to 0.001 which is smaller than the significance level of α=0.05, the zero hypotheses is rejected; so there is a significant difference between the two methods. As a result, it can be said that; there is difference between the principle of budgeting and control of the budget in GASB.34 and traditional method. The budgeting and control of the budget with (GASB.34) is higher and better than traditional method (Table 7).

Table 6. T-test for comparison of measurement criterion by the GASB.34 method and the traditional method.

	GASB.34 method		Traditional method						
Statistics	**Mean**	**Standard deviation**	**Mean**	**Standard deviation**	**Number**	**Mean difference**	**T Statistics**	**Degrees of freedom**	**Significant level**
Measurement criterion	3.58	1	3.11	1.08	139	0.46	3.48	138	0.001

Table 7. T-test for comparison of budgeting and control of the budget by the GASB.34 method and the traditional method.

	GASB.34 method		Traditional method						
Statistics	**Mean**	**Standard deviation**	**Mean**	**Standard deviation**	**Number**	**Mean difference**	**T Statistics**	**Degrees of freedom**	**Significant level**
Budgeting and control of the budget	3.50	1.12	3.03	1.18	139	0.46	3.43	138	0.001

Hypothesis 8: There is a significant difference between the GASB.34 and traditional method in terms of the principle of financing**.**

Comparison the mean of financing shows that at the descriptive level, there is no significant difference between the GASB.34 (SD=1.09 and mean=3.45) and traditional method (SD=1.07 and mean=3.20). Considering the calculated p-value equal to 0.073 which is bigger than the significance level of α=0.05, the zero hypotheses is not rejected; so, there is not a significant difference between the two methods. As a result, it can be said that; there is not a difference between the principle of financing in GASB.34 and traditional method (Table 8).

Hypothesis 9: There is a significant difference between the GASB.34 and traditional method in terms of classification principle of transfer funds accounts from the years before the current year's earnings and expenditures from the current period costs.

Comparison the mean of classification transfer funds accounts from the years before the current year's earnings and expenditures from the current period costs shows that at the descriptive level, the GASB.34 method score is higher (SD=1 and mean=3.51) from the mean of the traditional method (standard deviation=0.98 and M=3.05). Independent t-test has been used to compare the means due to the equality of variances. Considering the calculated p-value equal to 0.001 which is smaller than the significance level of α=0.05, the zero hypotheses is rejected; so there is a significant difference between the two methods. As a result, it can be said that; there

is difference between the classification principle of transfer funds accounts from the years before the current year's earnings and expenditures from the current period costs in GASB.34 and traditional method. The classification transfer funds accounts from the years before the current year's earnings and expenditures from the current period costs with (GASB.34) is higher and better than traditional method (Table 9).

Hypothesis 10: There is a significant difference between the GASB.34 and traditional method in terms of the principle of annual financial reporting**.**

Comparison the mean of annual financial reporting shows that at the descriptive level, the GASB.34 method score is higher (SD=1.04 and mean=3.69) from the mean of the traditional method (standard deviation=1.09 and M=3.11). Independent t-test has been used to compare the means due to the equality of variances. Considering the calculated p-value equal to 0.001 which is smaller than the significance level of α=0.05, the zero hypotheses is rejected; so there is a significant difference between the two methods. As a result, it can be said that; there is difference between the principle of annual financial reporting in GASB.34 and traditional method. The annual financial reporting with (GASB.34) is higher and better than traditional method (Table 10).

Table 8. T-test for comparison of financing by the GASB.34 method and the traditional method

	GASB.34 method		Traditional method						
Statistics	Mean	Standard deviation	Mean	Standard deviation	Number	Mean difference	T Statistics	Degrees of freedom	Significant level
Financing	3.45	1.09	3.20	1.07	139	0.25	1.80	138	0.073

Table 9. T-test for comparison of budgeting and control of the budget by the GASB.34 method and the traditional method

	GASB.34 method		Traditional method						
Statistics	Mean	Standard deviation	Mean	Standard deviation	Number	Mean difference	T Statistics	Degrees of freedom	Significant level
Classification principle of transfer funds accounts from the years before the current year's earnings and expenditures from the current period costs	**3.51**	**1**	**3.05**	**0.98**	**139**	**0.46**	**3.72**	**138**	**0.001**

Table 10. T-test for comparison of budgeting and control of the budget by the GASB.34 method and the traditional method

	GASB.34 method		Traditional method						
Statistics	Mean	Standard deviation	Mean	Standard deviation	Number	Mean difference	T Statistics	Degrees of freedom	Significant level
Budgeting and control of the budget	3.69	1.04	3.11	1.09	139	0.58	4.20	138	0.001

Conclusion

As the results of the research in Hypothesis 1 revealed; there was a significant difference between the GASB.34 and traditional method in terms of the principle of accounting and financial reporting capabilities. Thus, the principle of accounting and financial reporting capabilities with (GASB.34) was higher and better than traditional method. These results were consistent with the findings of Babajani (2004), which revealed that; there was a significant difference between the efficiency of the traditional accounting principles and the principles outlined in Statement 34 of the Accounting Standards Board and also, Chen's findings (2003) that the GASB.34 accountability in government agencies was higher than public accounting.

According to the results of Hypothesis 2, there was a significant difference between the GASB.34 and traditional method in terms of the principle of independent accounts number. Thus, the principle of independent accounts number with (GASB.34) was higher and better than traditional method. These results were consistent with the findings of Babajani (2004), which revealed that, there was a significant difference between the efficiency of independent accounts number in traditional accounting and the Statement of 34 in Accounting Standards Board which indicated the principle of independent accounts number were better and more objective and findings of Mahdavi and Funnell (2008), which indicated that; the current methods of public accounting did not have the ability to meet the goals of the community public resources.

The results of hypothesis 3 revealed that; there was a significant difference between the GASB.34 and traditional method in terms of the principle of variety of independent accounts. Thus, the principle of variety of independent accounts with (GASB.34) was higher and better than traditional method. These results were consistent with the findings of Chan (2003), which revealed that the accountability of the GASB.34 types of independent accounts was higher in public organizations than public accounting, and Barton (2010) findings, which showed that accruals accounting success was greater than public accounting. Therefore, it can be said that the GASB.34 system was more capable in performing micro and macro accounts of the organization than the traditional one based on different types and thus, it performed a better classification of account types. According to the results of hypothesis 4, there was a significant difference between the GASB.34 and traditional method in terms of the principle of capital asset registration. Thus, the principle of capital asset registration with (GASB.34) was higher and better than traditional method. These results were consistent with the findings of Babajani (2004) that revealed; there was a significant difference between the efficiency of the principle of capital asset registration in statement 34 of Government Accounting Standards Board and traditional accounting, and Chan (2003) findings, which showed that; GASB.34 accountability in government agencies was higher than public accounting. Therefore, the GASB.34 accounting system had a better ability to perform accounting operations of all registered capital assets than the traditional one. The results of hypothesis 5 of the research showed that; there was a significant difference between the GASB.34 and traditional method in terms of the principle of long-term debt. Thus, the principle of long-term debt with (GASB.34) was higher and better than traditional method. These results were consistent with the findings of Babajani (2004) which showed that; there was a significant difference between the efficiency of long-term debt in the traditional accounting and the Statement 34 of Accounting Standards Board. Thus, the State Accounting Standards

Board, Statement 34 illustrated the principle of long-term debt better and more objective. It was also consistent with the findings of Mahdavi and Funnell (2008), which revealed, the current methods of public accounting (traditional) did not have the ability to meet the goals of the community public resources. On this basis, the GASB.34 method can better identify the long-term debt system of the organization than the traditional one and report it on an urgent basis. The results of hypothesis 6 indicated that, there was a significant difference between the GASB.34 and traditional method in terms of the principle of measurement criterion. Thus, the principle of measurement criterion with (GASB.34) was higher and better than traditional method. These results were consistent with the findings of Chan (2003) which showed, the accountability in the principle of measurement criterion of GASB.34 was higher in public organizations than public accounting, and Barton (2010) findings that, the success of accruals accounting was greater than public accounting. Therefore, it can be said that the GASB.34 system was more capable of measuring the financial issues objectively than the traditional method.

According to the results of hypothesis 7, there was a significant difference between the GASB.34 and traditional method in terms of the principle of budgeting and control of the budget. Thus, the principle of budgeting and control of the budget with (GASB.34) was higher and better than traditional method.

These results were consistent with the findings of Babajani (2004) which showed, there was a significant difference between the efficiency of budgeting and control of the budget in the traditional accounting and the Statement 34 of Accounting Standards Board. These results were also consistent with the findings of Chan (2003) which showed; the accountability in the principle of budgeting and control of the budget in GASB.34 was higher in public organizations than public accounting. Therefore, the GASB.34 accounting system had the ability to budget and control it at different times; its budgeting is based on the organization's needs and policies, and the accounting operations of all registered capital assets was well done. According to the results of hypothesis 8, there was not any significant difference between the GASB.34 and traditional method in terms of the principle of financing and both methods act in the same way in terms of paying attention to the principle of financing. These results were not consistent with the findings of Babajani (2004); Chan (2003); Mahdavi and Funnell (2008) and Barton (2010), which may be due to differences in statistical society, sample numbers, and so on. The results of hypothesis 9 showed; there was a significant difference between the GASB.34 and traditional method in terms of the classification principle of transfer funds accounts from the years before the current year's earnings and expenditures from the current period costs. Thus, the principle of the classification principle of transfer funds accounts from the years before the current year's earnings and expenditures from the current period costs with (GASB.34) was higher and better than traditional method. These results were also consistent with the findings of Chan (2003) which showed; the accountability in the classification principle of transfer funds accounts from the years before the current year's earnings and expenditures from the current period costs in GASB.34 was higher in public organizations than public accounting. It was also consistent with Barton's findings (2010) showed, accounting accruals success were more than public accounting. Therefore, it can be said that the GASB.34 system was more capable than the traditional one in the classification of accounts and transfer funds from year to year, and it could better report the results of the year and the costs of the upcoming year.

Based on the results of hypothesis 7, there was a significant difference between the GASB.34 and traditional method in terms of the principle of annual financial reporting. Thus, the principle of annual financial reporting with (GASB.34) was higher and better than traditional method. These results were in line with the findings of Babajani (2004); Chan (2003); Mahdavi and Funnell (2008) and Barton (2010). Therefore, GASB.34 system compared to the traditional method had the ability to provide annual financial reports for the stakeholders.

Suggestions

It is suggested that government agencies, especially medical universities try to use the GASB.34 method for accounting and financial reporting capabilities in their accounting.

Universities of medical sciences try to use the GASB.34 method to strengthen the principle of dependent accounts number in their accounting and auditing.

Government agencies, especially medical universities are encouraged to use the GASB.34 method more.

Medical universities to ensure that they register their accounting capital assets in accordance with GASB.34.

Universities of medical sciences do their accounting business in accordance with GASB.34 principles to clarify the objectivity of their long-term debt.

Government agencies such as the medical sciences universities use GASB.34 method to ensure the measurement criterion.

The universities of medical sciences in their accounting affairs pay special attention to the principle of budgeting and control budget.

The universities of medical sciences in accounting affairs pay more attention to the classification principle of transfer funds accounts from the years before the current year's earnings and expenditures from the current period costs and the use of the GASB.34 method is very useful in this regard. The authorities of medical universities use the GASB.34 method to better and more accurately control their accounting and auditing practices.

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