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The Role of Accounting Standards, Financial Reporting, Digitalization, and Supervision in Transparency and Accountability of the Public Sector: A Systematic Literature Review

Rahmad Hidayat[1], Luk Luk Fuadah[2]

[1] Master of Accounting Science Program, Sriwijaya University, Indonesia
[2] Department Of Accounting, Sriwijaya University, Indonesia

*Corresponding Author: dayat.dy41@gmail.com

Abstract

Public sector transparency and accountability are important aspects in government financial management, but the implementation of accounting standards, financial report presentation, digitalization, and supervision have not always resulted in effective accountability. This study aims to analyze and synthesize empirical findings regarding the role of accounting standards, financial reporting, digitalization, and supervision in supporting public sector transparency and accountability. The study uses the Systematic Literature Review (SLR) method with reference to the PRISMA 2020 guidelines. The study includes 47 scientific articles published in the period 2021–2026 and analyzed using a thematic synthesis approach. The results of the study identified six main focuses, namely accounting standard reform and accrual base implementation, reporting quality and fiscal transparency, information literacy and utilization, digitization of information systems, audit and supervision, and public value and sustainability reporting. The synthesis shows that the implementation of accounting standards and improving the quality of reporting play a role in strengthening the availability and reliability of financial information, while digitalization supports the management and access of information. However, its contribution to accountability is influenced by institutional capacity, user understanding, system integration, supervisory independence, and follow-up on audit results. This study concludes that public sector transparency and accountability are not sufficiently realized through compliance with standards and information disclosure, but require effective use of information and oversight mechanisms that are able to encourage corrective actions.

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Keywords: accounting standards; financial reporting; digitalization; supervision; transparency; accountability; systematic literature review.

INTRODUCTION

Public sector accounting provides information on the use of budgets, financial positions, liabilities, and service costs managed on behalf of the community. The quality of such information has an important role because public organizations are required to account not only for administrative compliance, but also for the use of resources and the consequences of the policies implemented. However, the availability of financial statements does not automatically guarantee that the public, legislative institutions, and auditors are able to understand and utilize the information as a basis for supervision and accountability.

Reform of accounting standards and the implementation of accrual bases broaden the scope of recognition and reporting of assets, liabilities, and expenses in the management of public sector finances. A number of studies on the implementation of International Public Sector Accounting Standards (IPSAS) have shown mixed results. Some studies have found a positive relationship between the implementation of accounting standards and the quality of governance and corruption control, while others have shown that political participation and media freedom have a stronger relationship with fiscal transparency (Castañeda-Rodriguez, 2022; de Lira et al., 2025; Tawiah, 2023a, 2023b). These differences in findings suggest that the success of accounting reform is not adequately assessed based on the adoption of standards, but also needs to consider the quality of implementation, institutional characteristics, and the use of information in the public accountability process.

Another problem relates to the gap between the availability of financial reports and their use by users. The difficulty of the public in understanding the reports, the difference between the perception of the usefulness and actual use of information by politicians, and the limited financial literacy of some legislators suggest that transparency is not only related to the disclosure of information, but also to the ability of users to understand and utilize it (Haustein & Lorson, 2023; Pajković et al., 2023; Ritonga et al., 2025). Research on the presentation of public-oriented financial reports also shows the importance of an easy-to-understand information format, although its effectiveness may differ based on user characteristics and the context of the study (Kang et al., 2025; Schlünß et al., 2026).

In addition to the quality of reporting, the effectiveness of auditing and digitization of financial information systems is a concern in strengthening public sector accountability. Research on public sector audits shows that audit delays, limited user understanding of reports, independence of audit bodies, and the tendency to make audit opinions a symbol of success can limit the function of public accountability (Abdullah et al., 2026; Álvarez-

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Domínguez et al., 2026; Ferry et al., 2024). Meanwhile, research on government financial management information systems shows that the application of technology does not always have a significant relationship with accountability if it is not supported by adequate organizational structures and oversight mechanisms (Attiogbe et al., 2025). These findings show that improving information quality, technology application, and audit implementation need to be followed by strengthening institutional capacity and effective accountability mechanisms.

The difference in the results of the study shows the need to understand how the quality of accounting information, reporting disclosure, digitalization, and oversight are related to transparency and accountability in the public sector. The relationship cannot be assumed to be direct because it is influenced by user characteristics, research design, institutional conditions, and the supervisory mechanisms applied. Therefore, this study compares various empirical findings to identify factors that support or limit the effectiveness of transparency and accountability. The focus of the study is directed at the distinction between administrative accountability and substantive accountability, particularly in the relationship between information quality, accessibility, report utilization, and supervisory follow-up. This study aims to analyze and synthesize empirical findings regarding the role of accounting standards, financial reporting, digitalization, and supervision in supporting public sector transparency and accountability. In particular, this study compares the similarities and differences in research results, identifies factors that can explain these differences, and analyzes the conditions that support and hinder the use of financial information in decision-making and supervision. In addition, this study identifies research gaps as the basis for the development of further studies.

Previous research has discussed digitalization in relation to the production and utilization of accounting information and public sector accountability. Other studies have also examined various aspects of transparency in government administration (Agostino et al., 2022; Cuadrado-Ballesteros et al., 2023). Unlike studies that focus on specific aspects, this study integrates findings regarding accounting standards, reporting quality, digitalization, and supervision to understand the relationship between the provision of financial information and the implementation of substantive accountability. The contribution of the research lies in the synthesis of empirical evidence regarding the relationship between information quality, user understanding, report utilization, and supervisory follow-up in public sector financial management.

LITERATURE REVIEW

Public sector accounting

Public sector accounting is concerned with the identification, measurement, presentation and disclosure of financial information in organizations that manage public

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resources. Budget reports describe adherence to expenditure authorizations, while accrual-based reports can supplement information regarding assets, liabilities and service expenses. The benefits of both types of information depend on the quality of data, comparability and real use in organizational decisions (Attefah et al., 2025; Benfante et al., 2025; Fauzi & Lee, 2026; Masoud, 2025).

Public sector accountability and transparency

Accountability includes the obligation of public actors to provide explanations to the forum in which they are authorized to ask for reasons, assess actions and demand consequences. Transparency is the condition under which information can be found, trusted, understood and utilized. The two are related, but not synonymous: reports can be published in full without changing oversight practices if user literacy, independence of examiners or follow-up mechanisms remain weak (Afadzinu, 2026; Bovens, 2007; Davidyan & Waymire, 2025; Ferry & Midgley, 2024).

Theoretical framework

Agency Theory is used as the main analytical framework to explain the relationship between delegation of authority, information asymmetry, and accountability needs between public resource managers and mandated parties (Jensen & Meckling, 1976). In the public sector, these relationships occur in layers because society, legislative institutions, governments, auditors, and service managers have different roles. Institutional Theory is used to understand the influence of regulatory pressures and institutional practices on the implementation of accounting standards, including the possibility of formal adoption that has not been followed by substantive use of information (DiMaggio & Powell, 1983). Stakeholder Theory complements the analysis by emphasizing the diversity of information needs and accountability demands of different groups of report users (Freeman, 1984). All three theories serve as a synthesis lens, without assuming that all the articles studied use them explicitly.

Conceptual framework of synthesis

The proposed framework distinguishes five processes: reliable production of accounting information; timely disclosure; understanding and access by users; utilization for oversight and decision-making; and organizational follow-up. Obstacles can arise in each process, such as a complete but not understood report or audit recommendations issued but not followed by corrective action. This set is an interpretive proposition, not a new causal test.

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RESEARCH METHODS

Search Strategy and Selection Criteria

This study uses the Systematic Literature Review (SLR) method by referring to PRISMA 2020 as a guideline for reporting the selection process and presentation of review results (Page et al., 2021). The study is focused on journal publications for the 2021–2026 period which discuss public sector accounting, government financial reporting, transparency, and accountability. The literature search uses terms related to public sector accounting, government accounting, public financial management, financial reporting, accountability, and transparency. The journal quartile information is recorded based on the SJR 2025 classification available in the study matrix.

The selection of articles considers the relevance of substance to accounting standards, the quality of reporting, digitalization, or oversight and its relevance to public sector transparency and accountability. The main synthesis prioritizes quantitative, qualitative, and mixed-methods empirical research. Literature review, conceptual, or academic debate articles are separated as supporting references, rather than counted as empirical studies in the group of 47 articles analyzed. These criteria are applied through title screening, abstracts, and full-text assessment.

Literature Selection Process

At the identification stage, 811 records were obtained from the literature search. Screening by title left 100 records, so 711 recordings were not continued. Furthermore, the abstract assessment resulted in 70 relevant articles and 30 articles were issued. The full text of the 70 articles was then reviewed to assess the suitability of the research criteria. The results of the feasibility stage showed that 23 articles were excluded and 47 articles were included in the thematic synthesis. A selection flow diagram is presented in Figure 1. The number of duplicates before screening and the details of the reasons for exclusion per article at the full-text stage have not been documented separately in the study file.

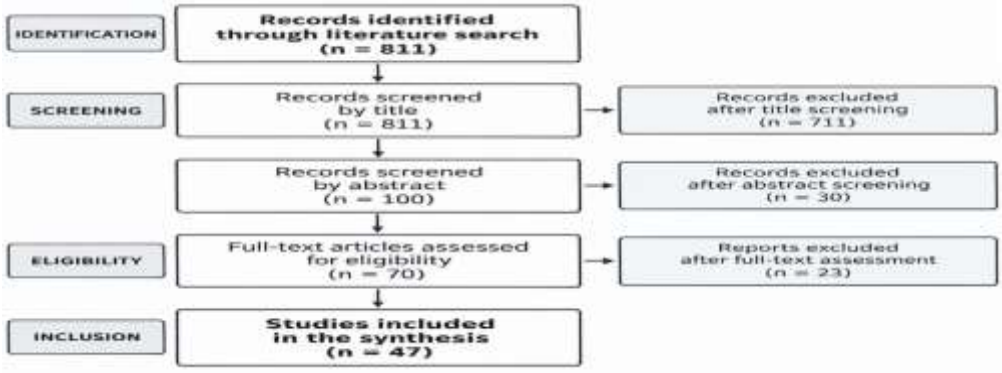


Figure 1. Literature selection flow diagram based on PRISMA 2020

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Data Extraction and Analysis

Data from the 47 articles listed in the study matrix were extracted and analyzed descriptively based on the year of publication, journal quartile, research approach, and study focus. Each article was placed in one main theme based on the substance of the study to avoid double counting. The frequency and percentage distributions in Tables 1–4 were calculated using a total of 47 articles as denominators.

Thematic synthesis was conducted by comparing patterns of findings and differences in outcomes between studies, including indicator variations, study design, characteristics of information users, and institutional conditions. The six themes of the synthesis include accounting standards and accrual bases; reporting quality and fiscal transparency; information literacy and utilization; digitalization; audit and supervision; and public value and sustainability. Because the research designs are diverse, the results are not combined into a single causal effect estimate. Methodological quality assessments per study using standard instruments have not been documented in the available files; these limitations are considered when interpreting the results.

RESEARCH RESULTS

This chapter presents the characteristics of the 47 articles analyzed in the study. The results of the descriptive analysis are presented based on the year of publication, journal quartiles, research approach, and six main research focuses. Each article is counted once in each distribution, with the percentage using 47 articles as the basis for the calculation.

Distribution of the year of publication

Table 1. Distribution of the year of publication

Year	Number of articles	Percentage
2022	2	4,3%
2023	6	12,8%
2024	7	14,9%
2025	18	38,3%
2026	14	29,8%
Total	**47**	**100%**

Based on Table 1, the most articles were published in 2025, namely 18 articles (38.3%), followed by 2026 with 14 articles (29.8%). Other articles were published in

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2022–2024, while there were no articles in 2021 in the group analyzed. The total percentage per year of 100.1% was due to rounding one decimal number.

Distribution of journal quartiles

Table 2. Distribution of journal quartiles

SJR Quartet 2025*	Number of articles	Percentage
Q1	38	80,9%
Q2	8	17,0%
Q3	1	2,1%
Total	**47**	**100%**

Note: *The journal quartile follows the SJR 2025 data recorded in the study matrix; the journal quartile does not show the methodological quality of each article.

Based on Table 2, as many as 38 articles (80.9%) were in the Q1 category, 8 articles (17.0%) in Q2, and 1 article (2.1%) in Q3, according to the SJR 2025 quartile records in the study matrix. The quartile shows the position of the journal in the ranking, not the assessment of the methodological quality of each article.

Distribution of research approaches

Table 3. Distribution of research methods

Research approach	Number of articles	Percentage
Quantitative	26	55,3%
Qualitative/document analysis	19	40,4%
Mixed/multi-method	2	4,3%
Total	**47**	**100%**

Based on Table 3, a quantitative approach was used in 26 articles (55.3%), qualitative or document analysis in 19 articles (40.4%), and mixed or multimethod methods in 2 articles (4.3%). The grouping followed the description of the methods listed in the study matrix.

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Distribution of research focus

Table 4. Distribution of research focus

Main focus	Number of articles	Percentage
Standards and accruals	14	29,8%
Fiscal reporting and transparency	9	19,1%
Literacy and report utilization	7	14,9%
Digitization and information systems	5	10,6%
Audit and substantive accountability	7	14,9%
Public value and sustainability	5	10,6%
Total	**47**	**100,0%**

Based on Table 4, the most studied research focus was accounting standards and accrual bases, which were 14 articles (29.8%), followed by financial reporting and fiscal transparency as many as 9 articles (19.1%). Meanwhile, the focus on literacy and information utilization as well as substantive audit and accountability each included 7 articles (14.9%), while digitalization and information systems as well as public value and sustainability each included 5 articles (10.6%).

Groupings were carried out based on the main substance of each article into six research themes (T1–T6) which are further discussed in Subchapters 5.1–5.6. Each article was counted once on one main theme, although the findings could be used in the discussion of other relevant themes. The total percentage of the six themes of 99.9% was due to the rounding of one decimal number.

DISCUSSION

Reform of standards, accrual accounting and institutional conditions

Public sector accounting reform needs to distinguish between compliance with standards and the use of the information it produces. Uniformity of recognition and reporting can improve the comparability of assets, liabilities, and burdens, but it does not guarantee better decisions and oversight. The benefits of new reforms can be assessed when reliable information is understood, used, and acted upon by authoritative actors. Thus, the adoption of standards is a prerequisite for strengthening accountability, not a single measure of success.

Cross-country findings show an unequal relationship between IPSAS and accountability. Castañeda-Rodriguez (2022) places political participation as well as

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media freedom as stronger factors than IPSAS implementation in explaining fiscal transparency and accountability. In contrast, Masoud (2025) reports a positive relationship between the implementation of international standards and the two outputs, especially in more established institutional environments. These differences should not be seen as contradictory: implementation measures, output indicators, and country coverage are not identical. This means that institutional quality can influence the extent to which accounting reforms produce governance benefits.

Differences in indicators were also seen in IPSAS and governance studies. Tawiah (2023a) attributed IPSAS adoption to better governance quality, especially in developing countries, with variations by cash or accrual basis. Tawiah (2023b) found a relationship with lower levels of corruption, particularly in the fuller implementation of accruals. In Latin America, de Lira et al. (2025) also reported a negative association between IPSAS adoption and stronger corruption when institutional quality was better. The similarity in the direction of the relationship reinforces the relevance of institutional conditions, but the associative evidence has not confirmed that the adoption of standards independently leads to a decrease in corruption.

At the implementation level, organizational capacity and professional acceptance are important differentiators. Attefah et al. (2025) attribute accrual-based IPSAS compliance in Ghanaian local governments to prior compliance, timeliness of reporting, training, control, and auditing. Frisancho et al. (2025) show the differences in the legitimacy of reform perceived by accountants in Latin American countries. Both findings emphasize that formal compliance does not necessarily mean that standards have been consistently accepted and implemented. Therefore, reform evaluation needs to measure implementation practices, not just adoption decisions.

The most pronounced gaps arise when accrual reports are available but rarely used. Benfante et al. (2025) noted that only 16 out of 41 Italian local government accounting managers, or about 39%, use accrual reports in decisions; the benefits are also related to the perception of accuracy, comparability, and stakeholder needs. Benfante et al. (2026) show that small entities in Portugal and Italy require different support according to implementation experience: training stands out more in the early stages, while resource and technological limitations persist in the advanced stages. Thus, the success of accruals is more precisely assessed through the fit of information with the capacity and needs of the user rather than the number of reports generated.

The use of information is also not adequately explained by technical capabilities. Fauzi and Lee (2026) relate the use of accrued information by Indonesian public sector managers to attitudes, stakeholder pressures, perceptions of behavioral control, and organizational culture. Yang and Cordery (2026) show that guidelines, mentoring, and technology support help the implementation of performance reporting in charitable

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organizations, while costs and resource limitations remain barriers. These two contexts show similar mechanisms: standards require organizational support and behavior change in order for information to truly enter the decision-making process.

Changes in accounting policies can also change fiscal indicators without new economic transactions. Anttila and Oulasvirta (2025) show an increase in the median relative debt ratio from 54.68 to 58.69 after the rental capitalization in Finnish municipal governments, mainly due to the expansion of liability recognition. In contrast, Gafsi (2025) attributes accrual IPSAS to better debt management and sustainability effectiveness in developing countries. The two do not measure the same outcome: changes in reporting figures must be separated from changes in the government's ability to manage debt. Without this distinction, increased transparency can be mistaken for worsening fiscal conditions.

Stewart and Connolly (2024) show that fiscal reporting alignment in the UK still faces different government reporting objectives and logics. These findings complement a group of 14 studies: the benefits of reform depend on standard interaction, capacity, professional legitimacy, transition costs, as well as the use of information in decision-making and oversight. In synthesis, the adoption of accruals expands the information available, but its contribution to accountability is determined by the process of its implementation and utilization. These conclusions are interpretations of evidence by diverse designs, rather than estimates of combined causal influences.

Financial report quality, fiscal transparency, and narrative integrity

The quality of financial reporting needs to be assessed through several dimensions that do not replace each other: the fairness of the report, the accuracy of the estimate, the openness, and the usefulness of the information. A good audit opinion shows the results of the audit within a certain scope, not a guarantee that all information is free of bias or that all fiscal risks have been disclosed. Therefore, the synthesis of this theme distinguishes the quality of recognition and financial figures, public access, and the alignment of the narrative with the fiscal conditions that can be tested.

The difference in indicators can be seen in the findings of Indonesian local governments. Wibowo et al. (2026) associate organizational integrity with better audit opinions and fewer audit findings. However, Rakhman and Wijayana (2024) found that human development is related to the opportunity for reasonable opinions without exception as well as accrual management patterns in revenue and expense estimates. The two studies do not negate each other: audit opinions, integrity, and accrual policies measure different aspects. Reporting quality assessments that rely solely on opinions risk missing out on adjustment incentives and limited financial representation.

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Access to reports via the internet is also not entirely determined by fiscal ability. Suprianto and Salim (2024) found no significant direct relationship between local government wealth and compliance with internet financial reporting, while geographic factors moderate the relationship. These findings limit the notion that richer regions are automatically more transparent. Infrastructure, location, and administrative capacity need to be considered when assessing digital openness; the abundance of resources is not a direct measure of the ease with which the public accesses or uses reports.

The political dimension increases the risk of mismatch between numbers and narratives. Rakhman and Saudagaran (2023) identified patterns of lower budget and cash surpluses in the run-up to elections in Indonesian local governments, especially related to re-election incentives and regional characteristics. Donatella and Runesson (2026) found that the narrative of Swedish local government reports tended to be more positive ahead of elections when financial performance was relatively weak. Both studies used different indicators, but both showed that transparency evaluation needs to read the numbers and the way they are explained. A complete publication does not necessarily provide a balanced picture.

The relationship between openness and fiscal health is not simple. Cuadrado-Ballesteros and Bisogno (2022) reported a positive association of budget transparency with a number of cross-country fiscal sustainability indicators, without proving a causal relationship. Białek-Jaworska and Kopańska (2025) show that debt restrictions can encourage liabilities or expenditures to shift to entities outside the budget. This means that improvements in formal indicators do not necessarily mean that all fiscal risks are reduced. Substantive transparency requires disclosure of obligations and relationships with related entities, not just the presentation of budget ratios.

Information coverage becomes an issue when liabilities and risks are not fully visible. Wan et al. (2025) attribute the Chinese government's accounting reforms to increased explicit debt disclosure and changes in funding costs; recorded increases in debt may reflect the recognition of old obligations, not new loans. Meanwhile, Svetlova et al. (2026) found that the risk reporting of the central government of the United Kingdom and the Netherlands is still past-oriented and therefore not adequate to describe future vulnerabilities. Of the nine studies on this theme, the quality of reporting needs to be read as the integration of numerical reliability, completeness of fiscal coverage, narrative balance, and relevance of information to supervision. Audit opinions and disclosure indices alone do not represent all of these dimensions.

User literacy, comprehension, and information utilization

Formal transparency only serves for accountability if users can find, understand, and use financial information. Adequate technical reports for auditors are not necessarily

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appropriate for citizens or legislators. Therefore, user capabilities and communication design need to be treated as a link between report publication and decisions and oversight, not as an automatic consequence of document disclosure.

Haustein and Lorson (2023) found that only 11 out of 30 participants in Germany correctly answered the task of identifying surplus or deficit in local government reports. These findings show barriers to comprehension, although the sample cannot be representative of all German citizens. Implicitly, access needs to be accompanied by terms, formats, and contexts that help readers interpret fiscal conditions; the availability of documents alone is not enough.

Similar limitations occur for users who have a formal mandate. Pajković et al. (2023) show that Croatian politicians consider reports useful, but their use in decisions is more limited and oriented towards budget realization. Ritonga et al. (2025) reported that the average literacy of financial statements of members of the DPRD budget body was 35 out of 100 in the sample studied, accompanied by low use of information. Although the constructs and contexts of the two studies are different, they show that supervisory authority is not synonymous with the ability to use information to hold accountable.

Information design must also take into account the diverse needs of users. Schlünß et al. (2026) distinguish the objective need to understand financial conditions from information that is considered subjectively interesting in citizen-oriented popular reporting. Income, expenditure, debt, employee costs, and their relationship to services become important information. Therefore, an easy-to-understand summary can complement a technical report, but simplification should not remove risk or change the meaning of fiscal information.

The publication of popular reports does not guarantee their use. Donatella and Bisogno (2024) associate the popular financial reporting practices of Swedish municipalities more strongly with regional accounting networks than with some of the political factors tested. Kang et al. (2025) show that adding context in popular annual financial reporting can influence citizens' responses to some policies, but the results differ according to format. The synthesis of both shifts attention from the number of reports published towards organizational support, quality of presentation, and user response.

Comprehension constraints also reach national oversight bodies. Ferry and Midgley (2024) highlight readability, narrative balance, and the UK parliament's reliance on information from the executive. Based on these seven studies, meaningful transparency requires a combination of access, literacy, content appropriateness to user tasks, and capacity to request follow-up. Heterogeneous evidence supports an explanation of these mechanisms, rather than a single measure of the influence of literacy across countries.

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System digitalization, information integration, and accountability change

Public sector digitalization is changing not only publication media, but also record-keeping, validation, data integration, and authority sharing. Therefore, the success of the system needs to be distinguished from the success of accountability. The speed of transactions or the number of applications can increase without improving the traceability of decisions and follow-up of supervision.

The difference in results shows the importance of organizational context. Pribadi et al. (2024) found a number of positive relationships between capacity, leadership, infrastructure, technology use, transparency, and the implementation of digital governance in Indonesia. In contrast, Attiogbe et al. (2025) did not find a significant relationship between the implementation of the Ghanaian government's financial information system and accountability; organizational structure was positively related to accountability, but it was not proven to moderate the relationship between the system. Because the output variables were different, the two studies could not be compared as a measure of the same technological effect. Instead, they emphasized the need to separate digital adoption from accountability quality.

System integration and clarity of roles explain why technology adoption does not necessarily result in more accountable services. de Aquino and Lino (2026) found variations in the configuration of the relationship between financial information systems and electronic services. Bekiaris et al. (2026) show that in collaborative digital innovation, the responsibilities of governments and partners change between stages, requiring coordination. The findings direct the evaluation on network interoperability and accountability, not just the existence of applications.

Digitalization can even change reporting behavior. Agostino (2025) notes that Italian public museums' response to digital metrics was in the form of efforts to improve the position of indicators and to question the suitability of scoring algorithms. This means that dashboards are not always a neutral representation of performance. The synthesis of five studies on this theme places data reliability, change traceability, system integration, and oversight as mechanisms that need to be examined before administrative efficiency is interpreted as strengthening substantive accountability.

Audit, oversight and substantive accountability

Audits link financial information with the obligation to provide explanations and corrective actions. However, these functions depend on timeliness, independence, comprehension of results, and the authority to follow up on recommendations. Opinions on the fairness of reports are not synonymous with the effectiveness of the program or the fulfillment of public needs.

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Ferry et al. (2024) highlight audit delays as well as the complexity of reports that reduce the usefulness of UK local government accounts. Davidyan and Waymire (2025) show that the disclosure of US local government auditor management letters can expand transparency, but also risk being misinterpreted outside the context of the audit. Both findings emphasize the importance of timeliness and communication that explains the scope of the audit, rather than simply adding to published documents.

The extension of the audit mandate to development accountability shows the limits of formal indicators. Cordery et al. (2023) show that audits and parliamentary committees can encourage improvements in the measurement of development achievements, while the participation of affected groups is still lagging behind. Abdullah et al. (2026) describe the phenomenon of fair opinion without exception as a symbol of the success of the Indonesian government even though the issues of patronage and broader accountability have not been resolved. The synthesis of both distinguishes audit compliance from the ability of audit to trigger public dialogue and substantive improvement.

Audit barriers also arise in communication and institutional independence. Álvarez-Domínguez et al. (2026) reported that the assessment of audit report access in Spanish regional institutions was better than the comprehension and follow-up of recommendations. Afadzinu (2026) showed the potential for weakening of the independence of Ghana's state auditors through the influence of appointment, funding, and publication of findings. The design of the two studies differed, but both identified the breaking point between the provision of audit information and the ability to demand corrective action.

In the disclosure of performance audits and SDGs, Dionisijev and Lazarevska (2025) found variations in openness between audit bodies, while EU membership status was not significantly related to the output of openness in the sample. The synthesis of seven articles on this theme shows the need to measure the independence, scope, timeliness, clarity of findings, and implementation of recommendations separately. The publication of reports and opinions is both part of the monitoring process, not sufficient evidence that substantive accountability has been achieved.

Public values, service mandates, and sustainability openness

Public sector reporting must not only explain fiscal position, but also the relationship between resource use and service mandates and social benefits. This requirement is important for entities that combine business activities and service obligations because costs, subsidies, and service results are not always clearly visible from profits.

Adebayo (2026) points out the weakness of public service obligation disclosure in South African state-owned enterprises, so that costs and support needs are difficult to

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relate to social mandates. Sharma and Kaur (2025) direct the measurement of public value in New Zealand on budgeting, program outcomes, and citizen benefit creation. Both assert that financial compliance is inadequate if the relationship between resources and service outputs cannot be assessed.

A similar problem can be seen in sustainability disclosure. Muskanan et al. (2025) found that the reporting of SDGs contributions by Indonesian regionally owned entities prioritizes budget activities and realization rather than strategies and achievements. Rönkkö and Luhtala (2025) show that few annual reports of Finnish municipal governments explicitly mention the SDGs despite many reviews of sustainability aspects. The mention of the term SDGs, whether they exist or not, cannot be used as a direct measure of program implementation or effectiveness.

Hosiosky et al. (2026) reported that the narrative of SDGs disclosure in South African state-owned enterprises is long, unbalanced, or poorly related to the mandate and needs of users. The synthesis of five studies on the theme of public value emphasizes that the quality of disclosure lies in the relevance of indicators, information balance, and traceability of resources towards service outcomes. The abundance of sustainability descriptions cannot be equated with the achievement of accountability.

Comparison of evidence, theory integration, and research direction

Evidence on accounting reform shows that differences in conclusions mainly arise from differences in outputs and institutional conditions. The link between IPSAS and fiscal transparency is not always as strong as political factors, while other studies have found associations with the quality of governance and corruption control. Differences in definitions, state coverage, and implementation status make the results impossible to combine into one uniform effect (Castañeda-Rodriguez, 2022; Masoud, 2025; Tawiah, 2023a, 2023b). Therefore, the success of reform should be tested at the implementation and information use stages, not just at the adoption status.

From the user side, the availability of information does not guarantee understanding or action. Evidence on citizens, politicians, and legislators shows that the readability, literacy, and relevance of reports influence their use; popular reporting seeks to bridge this gap. However, the design and population of studies differ so that it does not prove that one communication format always improves accountability (Haustein & Lorson, 2023; Kang et al., 2025; Pajković et al., 2023; Ritonga et al., 2025). The critical point is whether information can be used to assess policy, not just be accepted by the public.

In technology, evidence on financial information systems, interoperability, and collaboration suggests that application adoption needs to be distinguished from its impact on oversight. Insignificant relationships in one context and variations in configurations in

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others cannot be simplified into the conclusion that digitalization always succeeds or fails (Attiogbe et al., 2025; Bekiaris et al., 2026; de Aquino & Lino, 2026; Pribadi et al., 2024). Mechanisms that are more likely to be tested are data quality, division of authority, traceability of transactions, and capacity to follow up on information.

In audits, the gap between openness and accountability arises when opinions, reports, or recommendations are treated as the final outcome. Studies on quasi-accountability, auditor independence, management letters, and democratic oversight demonstrate the importance of distinguishing administrative outcomes from corrective actions (Abdullah et al., 2026; Afadzinu, 2026; Cordery et al., 2023; Davidyan & Waymire, 2025). Because the design and units of analysis are diverse, they are more appropriately used to identify oversight mechanisms rather than to calculate compound causal effects.

Conceptually, this synthesis maps five interconnected but interconnected stages: reliable information production, publication, comprehension, utilization in supervision, and follow-up. Agency theory explains information asymmetry; institutional theory explains formal adoption without real utilization; stakeholder theory emphasizes different user needs. The framework is an interpretation of diverse evidence, not a causal model that has been directly tested by all studies (Bovens, 2007; DiMaggio & Powell, 1983; Freeman, 1984; Jensen & Meckling, 1976).

The most important gap is the lack of testing that follows the flow from report quality to utilization, supervision, and organizational improvement. In the Indonesian context, the empirical agenda can be directed to the use of reports by the DPRD, follow-up on audit findings, reporting of receivables and service obligations, and the effectiveness of summary financial information (Rakhman & Wijayana, 2024; Ritonga et al., 2025; Wibowo et al., 2026). The next test needs to establish indicators for each stage and design that can distinguish associations from possible causal effects.

CONCLUSION

Based on a synthesis of 47 articles studied, this study shows that the implementation of accounting standards, financial reporting quality, digitalization, and supervision have an important role in supporting transparency and accountability in the public sector. However, the implementation of standards and information disclosure has not automatically increased accountability if it is not supported by institutional capacity, user understanding, system integration, supervisory independence, and follow-up audit results. Therefore, strengthening transparency and accountability in the public sector requires integration between the quality of financial information, its use in decision-making, and the effectiveness of supervisory mechanisms. Further research needs to examine the relationship between reporting quality, user literacy, digitalization, and supervisory follow-up to strengthen empirical evidence on substantive accountability.

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RESEARCH LIMITATIONS

This study has several limitations that need to be considered in interpreting the results of the study. The documentation of the literature selection process based on the PRISMA 2020 guidelines is not completely complete, especially regarding the verification of the number of duplicate recordings, reasons for individual exclusion, and the footprint of selection decisions. A methodological quality assessment of each study using documented instruments is also not available. In addition, differences in research approaches, measurement indicators, and institutional context between studies limit the generalization of findings. Therefore, the results of the study are interpreted as a thematic synthesis of diverse findings, rather than a universally applicable estimate of combined influences or evidence of a universally applicable cause-and-effect relationship.

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