



"In order to be one of the leading ministries of public and financial management in the region and globally, and in line with international best practices, and based on the desire of the Ministry of Finance to manage and develop the financial resources of the federal government efficiently and creatively in accordance with best practices globally, the Ministry of Finance launched a comprehensive and integrated program aimed at transforming the federal government from cash basis accounting framework into an accrual accounting framework.

Consequently, the federal government accrual accounting criteria have been developed, taking into account their alignment with the federal government work axes that directly affect the performance of the federal government. They are focused in the following areas:

- A. Economic impact, which includes the inventory, preservation and control of all the assets of the federal nation, and the evaluation and follow-up of all federal obligations. This leads to the efficient distribution of resources and the resulting development of government expenditure, in addition to the continuous need to systematically evaluate performance and follow up the implementation of development plans and provide appropriate data on all capital and operational expenses.
- B. Government impacts and the development of robust fiscal policies and processes, and a clear distribution of functions and responsibilities for accountability and transparency in financial information.
- C. Technical and social development, which is expected to lead to the emergence of more complex transactions that require the development of new accounting processes on a continuous and accelerated basis. Therefore, the accounting framework adopted must be adaptable so as to adapt to these technical and social developments.
- D. International openness by comparing financial performance at the international level, and the federal government's obligation to provide periodic data to international entities, and the statistical authorities' need for more detailed data.

Given the importance of federal government assets and the accrual-based accounting transition program, and in line with the Ministry of Finance's orientation towards optimal utilization and efficient management of federal government resources, this guide has been developed with the aim of providing guidance to the federal authorities when applying the eligibility criteria for the federal government regarding accounting, inventory and valuation of fixed assets.