

## Comparative Study to Evaluate the Efficacy of Control Criterion in Determining Consolidation Scope in the Public Sector

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**Abstract :** This study aims to answer this question whether control criterion with two elements of power and benefit which is introduced as 'control criterion of consolidation scope' in national and international standards of accounting in public sector (and also private sector) is efficient enough or not. The methodology of this study is comparative and the results of this research are significantly generalizable, due to the given importance to the sample of countries which were studied. Findings of this study states that in spite of pervasive use of control criterion (including 2 elements of power and benefit), criteria for determining the existence of control in public sector accounting standards, are not efficient enough to determine the consolidation scope of whole of government financial statements in a way that meet decision making and accountability needs of managers, policy makers and supervisors; specially parliament. Therefore, the researcher believes that for determining consolidation scope in public sector, in addition to economic view, it is better to pay attention to budgetary, legal and statistical concepts and also to practical and financial risk and define indicators for proving the existence of control (power and benefit) which include accountability relationships (budgetary relation, legal form and nature of activity). these findings also reveals the necessity of passing a comprehensive public financial management (PFM) legislation in order to redefine the characteristics of public sector entities and whole of government financial statements scope and review Statistics organizations and central banks duties for preparing government financial statistics and national accounts in order to achieve sustainable development and resilient economy goals.

**Keywords :** control, consolidation scope, public sector accounting, government financial statistics, resilient economy

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