

## EFFECT OF IPSAS ON ACCOUNTABILITY AND TRANSPARENCY IN SELECTED STATES OF NIGERIA

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### Abstract

Deficiencies in traditional accounting standards in the 1990s and early 2000s contributed to the establishment of International Financial Reporting Standards (IFRS) and, later, International Public Sector Accounting Standards (IPSAS). The Nigerian Federal Executive Council, however, finally ratified the implementation of IPSAS between 2010 and 2016. The study investigated the effects of IPSAS on accountability and transparency in the selected states' financial management. Three hundred and eleven questionnaires designed to elicit information on the effects of IPSAS on accountability and transparency in the selected states were filled out and returned by accountants, auditors, line-officers, and administrative officers in the Federal and States' Ministries, Departments, and Agencies (MDAs). Statistics such as average and range were used to describe the respondents, while ordinal logistic regression was used to analyze the effects of IPSAS on accountability and transparency. The Mann-Whitney-U test was also used in testing the hypotheses that were postulated. The analysis of data revealed that the implementation of IPSAS has positive effects on accountability and transparency via timely record keeping, disclosure of adequate records and information, unqualified audit reports, as well as the relevance of financial reports and responses from stakeholders. It is therefore recommended that IPSAS should be fully carried out at the local government level; Nigerian accounting bodies and the Financial Reporting Council (FRC) should monitor IPSAS' implementation at all levels of government; encouragement should be given for whistle-blowing; early passage of annual budgets; training and retraining for public servants; as well as on-line contract tendering in the public service.

**Key Words:** *IPSAS, Implementation, Accountability and Transparency.*

### 1. Introduction

In the 1990s and early 2000s, traditional accounting standards revealed some inadequacies. These inadequacies manifested in the form of unprecedented fraud that could not be prevented nor detected in the process of normal accounting data processing. The Enron and MCI WorldCom scandals in the United States in October 2001, as well as erroneous financial presentation in Cadbury Nigeria in 2006, were significant manifestations of traditional accounting standards' shortcomings. This in part led to the founding of International Financial Reporting Standards (IFRS) and, consequently, International Public Sector Accounting Standards (IPSAS) for the private and public sectors, respectively (IFAC 2015 & Toluyemi *et al.*, 2016). The two standards were also founded to reduce problems often encountered in the process of consolidation and comparing financial statements for different entities in different sectors and countries. In the same

vein, the drive for greater accountability, transparency, efficiency, and effectiveness in public financial management coupled with the interest of the Nigerian government (Federal Executive Council) in moving with the global trend led to the approval of the adoption of IPSAS in July 2010. It, however, became fully operational in Nigeria by 2016 (Udeh & Sopekan, 2015; IFAC 2017b).

In spite of the adoption of IPSAS, Nigeria is still witnessing massive corruption and mismanagement of public funds in recent times. Examples of such mismanagement include the N40 billion (which currently is about US \$96.4 million) pension scam, as well as the US \$1.5 million bullet-proof BMW car fraud in Nigeria (Ademola et al 2017). In the same vein, anti-graft agencies have convicted pension fraud to the tune of N157 billion (Eromosele, 2021). Similarly, a N2 billion fraud perpetrated by Maina-former chairperson of the defunct Pension Fund Reform Task Team (PRTT) was reported (Ejekwonyilo, 2021). The United Nations Office on Drugs and Crimes (UNODC) reported that 32% of Nigerians who secured jobs in public service in the country in 2019 paid a bribe (Yakubu 2020).

The Corruption Perception Index (CPI) indicates that Nigeria scored 26%, 27%, and 28% in 2015, 2016, and 2017 respectively. However, in the global country ranking, Nigeria is in the 148<sup>th</sup> position out of 180 countries and 32<sup>nd</sup> out of 52 countries in the African continent in 2017. This is the worst position for Nigeria in the last ten years (i.e. since 2008). It is also observed that the country was the second most corrupt country in West Africa in 2017. Nigeria is only better than Guinea Bissau in Africa. In spite of the one-point increase in the Nigeria score (27 to 28) from 2016 to 2017, its global ranking slipped by twelve (12) positions from 136 in 2016 to 148 in 2017 (Transparency International, 2020). Transparency International (2013) observed that Nigeria lost over US \$21 million due to corruption in two years. This amount doubles the amount lost in Kenya over a period of five years.

Omolehinwa (2012) noted that IPSAS will promote accountability and transparency in public sector governance. Similarly, IPSAS will enable Ministries, Departments, and Agencies (MDAs) to produce improved quality financial reports that will assist in better decision-making. It also guarantees accountability and engenders trust from stakeholders (IFAC 2017b). In the same vein, the Nigerian Federal Executive Council (FEC) hinged the adoption of IPSAS on the need to improve governance.

### **1.1 Statement of the Problem**

The global trend in cross-border collaboration among businesses and governments as well as among countries has increased the need for uniformity and comparability in accounting standards. Hence, IPSAS was developed to bring about a great change in public financial management to ensure efficiency and effectiveness (Nzewi & Enuenwemba 2020, Ijeoma & Oghoghomeh 2014).

Consequent to the above, the implementation of IPSAS is expected to lead to an increase in foreign investment and employment, which will lead to a reduction in unemployment and poverty. In spite of the implementation of IPSAS, Nigeria is still regarded as the poverty capital of the world. Indeed, the country's unemployment rate has risen to around 33%. Similarly, IPSAS is also said to have the capacity to reduce public sector corruption. However, Nigeria still witnesses massive corruption cases in the public sector. Some of these corrupt cases are highlighted above.

A review of related literature revealed that most of the previous studies on this theme adopted accountants and auditors as their sample frame, as if IPSAS is only an accounting model. However, IPSAS is a business model. This, in part, is why best practices in the transition from traditional accounting standards to IPSAS include setting up an inter-departmental steering committee (IFAC 2012 and 2015). In the same vein, studies on the theme in Nigeria are often limited to a state (Erin *et al.* 2016, Adepoju 2017, Nzewi & Enewemba 2020, Otuya & Ovakporaye 2020, Balogun 2015, and Ogbuagu & Onuora 2019). Hence, in most cases, their sample sizes are too small. Therefore, it raises doubt if representative data could be collected. Also, the studies did not include federal MDAs in their samples. Similarly, previous studies adopted mainly descriptive statistics and analysis of variance (ANOVA) techniques such as the T-test, Kruskal-Wallis test, Chi-Square, and Karl Pearson coefficient. Hence, they only measure relationships and not cause-effects. Few studies adopted Ordinary Least Square (OLS) regression. These techniques seem unsuitable for the data collected. In addition, the explanatory variables used lack accurate measurement.

From the foregoing, an inquisitive mind would want to know the extent to which IPSAS has promoted accountability and transparency in public sector financial management in Nigeria.

## **1.2 The Objectives of the Study**

This study adopts a robust methodology (data collection and analytical technique) to study the subject matter as well as expand the frontier of knowledge in areas that have not been covered by previous studies. The study also examined the extent to which IPSAS promoted accountability and transparency in the selected states.

## **1.3 Statements of Hypotheses**

To determine the effects of IPSAS on accountability and transparency the study compares the views of the accountants with that of other officers in the public sector. Therefore, the study examined the null hypothesis stated below.

H<sub>0a</sub>: There is no statistical difference in the views of accountants and other officers on the effects of IPSAS on timely record-keeping and presentation;

H<sub>0b</sub>: There is no statistically significant difference in the perspectives of accountants and other

officers on the effects of IPSAS on the disclosure of accurate and sufficient reports and information;

H<sub>0c</sub>: There is no statistical difference in accountants' and other officers' views on effects of IPSAS on having an unqualified audit reports;

H<sub>0d</sub>: There is no statistically significant difference in the perspectives of accountants and other officers on the effects of IPSAS on keeping relevant information for all categories of officers;

H<sub>0e</sub>: There is no statistical difference in the views of accountants and other officers on the effects of IPSAS on engendering a positive response from stakeholders;

H<sub>0f</sub>: There is no statistical difference in the views of accountants and other officers on the effects of IPSAS on engendering due-process in government activities and

H<sub>0g</sub>: There is no statistically significant difference in the perspectives of accountants and other officers on effects of IPSAS on engendering uniformity and comparability of reports and information.

## 2. Literature Review

### 2.1 Reviewing empirical studies

#### Accountability

Accountability has been variously defined by authors. For instance, Adegite (2010), Toluyemi *et al.* (2016), Nzewi and Enuenwemba (2020) described it as the obligations that anyone holding a position of trust and care has to give appropriate answer or reply to all stakeholders for actions and level of achievement in the performance of his duties. Other authors saw it as being answerable and responsible to another party on level of achievements of objectives of programmes and activities (Otuya & Ovuakporaye 2020; Ogbuagu & Onuora 2019). Similarly, it is seen as the requirement to record and explain the use of resources given for a particular purpose. It is also described as ensuring that programmes are implemented according to schedule programme objectives. Accountability is seen as a means by which achieved programme benefits reach the target groups and funds provided are used for intended purposes (IFAC 2017b, Atuilik & Salia 2019; Nzewi & Enuenwemba 2020).

#### Transparency

Transparency is the condition of clarity and absence of doubts in the conduct and account of assigned activities. Also, it is associated with openness of government to its citizens as well as revelation or disclosure of necessary information to stakeholders to ensure that they have appropriate facts about government performance and operations. To this end, IPSAS assist in ensuring transparency in financial statements. Consequently, it improves operational performance, accountability and fair allocation of resources (IFAC, 2012, Olusegun, 2019; Otuya & Ovuakporaye 2020; Nzewi & Enuenwemba 2020). It also involves sincerity, honesty and

selflessness in order to achieve programme objectives, open mindedness in following rules, regulations and procedures as well as willingness to give information freely, clearly, sincerely and completely not leaving room for doubts as well as not harbouring hidden-agenda and exhibiting a high degree of probity (IFAC 2017a and 2017b).

For transparency to be meaningful there is the need for; a sustained citizen review procedure, protection for whistle blowers and citizen who report problems as well as protection of freedom of information policies. Accountability and Transparency are inseparable.

Empirical studies including (Atuilik & Salia 2019; Ogbuagu & Onuora 2019; Erin *et al.* 2016) revealed that there is a direct relationship between IPSAS and accountability and transparency.

Findings from previous empirical studies like Erin *et al.* (2016), Atuilik and Salia (2019) and Aduwo (2019) on this theme showed that IPSAS improves accountability, transparency, operational performance, efficiency in resource allocation, budgeting, expenditures control in public funds management. In addition, it also fosters presentation of adequate information and disclosure of material transactions as well as enhances harmonization of accounts and generally improved financial reports.

As stated above, the characteristics of IPSAS that impact on accountability and transparency include the following variables:

- Timely record-keeping and presentation;
- Disclosure of an accurate and sufficient report or information
- Having an unqualified audit report;
- Keeping relevant information for all categories of officers;
- Engendering a positive response from stakeholders;
- Engendering due process in government activities and
- Engendering uniformity and comparability of reports and information.

## 2.2 Theoretical Framework

IPSAS are often explained or interpreted in terms of several concepts and theories. These theories/concepts, include; stewardship, agency, signaling, stakeholders, New Public Management (NPM) and governance concepts. IPSAS is a financial reporting mechanism that management uses to render stewardship to different stakeholders.

Public sector is the segment of the country's economic agents that are managed on behalf of the public by government (Acho, 2014). Agency theory assists in managing relationship between the principal and agent. Along this line IPSAS assists in managing the collective resources of all citizens that is entrusted to government care to administer on their behalf. Hence, governments are granted legal access and command over the use of common assets.

Signaling theory identifies several parts that exist in an organization or entity. Each entity has access to and requires different information. The different part chooses how to communicate or signal information to one another. IPSAS is highly useful in the process of communicating financial information to different parts of the public sector organizations.

Stakeholder theory is an organizational management and business ethics theory that argues that the firm should create value for all stakeholders. It helps to manage and streamline the interests of different people in an entity. Several entities have different interests in public financial statements. Such interests include; performance appraisal, efficiency, effectiveness, accountability, and transparency in decision-making to support the delivery of the dividend of democracy. Other relevant theories/concepts to IPSAS include: New Public Management (NPM), which measures performance, fiscal discipline, transparency, and efficiency, as well as a means of facilitating competition in public sector management; and Governance, which is a system of authoritative rules, norms, and practices through which institutions guide their affairs locally and generally.

All the theories/concepts itemized above seek to ensure improvement in accountability in governance and transparency in government activities as well as improved decision-making.

### The Taylor Expansion Series

The relationship between the dependent (accountability and transparency) and explanatory variables can be represented with the Taylor expansion series, which is as follows

$$Y = f(X_1, X_2, X_3, \dots, X_n) \quad (1)$$

Where: Y = level of accountability and transparency

X<sub>1</sub>, ..., X<sub>n</sub> are explanatory variables

Therefore, the change in the level of corruption can be represented as follows:

$$\Delta y = \frac{\partial y}{\partial X_1} \Delta X_1 + \frac{\partial y}{\partial X_2} \Delta X_2 + \frac{\partial y}{\partial X_3} \Delta X_3 + \frac{\partial^2 y}{\partial X_1^2} (\Delta X_1)^2$$

$$+ \frac{\partial^2 y}{\partial X_2^2} (\Delta X_2)^2 + \frac{\partial^2 y}{\partial X_3^2} (\Delta X_3)^2$$

$$+ \frac{\partial^2 y}{\partial X_1 \partial X_2} \Delta X_1 \Delta X_2 + \frac{\partial^2 y}{\partial X_1 \partial X_3} \Delta X_1 \Delta X_3 +$$

$$\frac{\partial^2 y}{\partial X_2 \partial X_3} \Delta X_2 \Delta X_3 \dots$$

Where Δy = Total change in level of accountability and transparency represented a Taylor's series expansion;

$\frac{\partial y}{\partial X_1}$  = Marginal change in level of accountability and transparency per unit  
change in variable  $X_1$

$\frac{\partial^2 y}{\partial X_i \partial X_j}$  = Interactive effects of changes in  $X_i$  and  $X_j$  on the level of accountability and  
and transparency in the public sector.

$\Delta_i$  = Change in  $X_i$ ,  $i, \dots, n$

Therefore, change in the level of accountability and transparency is the summation of the effects of the various variables and their interactive effects amongst the various determining factors/variables.

When the interactive effects between the explanatory variables such as  $\frac{\partial^2 y}{\partial X_1 \partial X_2} \Delta X_1 \Delta X_2$

are very strong and complementary, the total effect on accountability and transparency ( $y$ ) will be significant and of greater effect than the effects of the sum of the individual effects of the explanatory variables.

The study adopts Ordinal Logistic regression because the data collected is non-parametric in nature.

$$\text{Log } Y = \alpha + b_1 \log X_1 + b_2 \log X_2 + b_3 \log X_3 + \dots + b_n \log X_n$$

Where  $Y$  = Level of accountability and transparency

$\alpha$  = Intercept

$b_1, \dots, b_n$  = the coefficient of the respective variables

### 3. Methodology

#### 3.1 Research Design

The study adopted a cross-sectional survey and case study design in order to gain a detailed and rich understanding of the context and process of implementation of IPSAS.

#### 3.2 Study Area

The survey was carried out in Kwara, Kogi, and Niger states. The states are the gateway between northern and southern Nigeria. The institutions sampled are state and federal MDAs in the selected states. These states are contiguous to one another. Federal and state MDAs were used and not LGAs because the implementation of IPSAS at the LGA level is still relatively poor.

#### 3.3 Sampling Frame

Of the three hundred and sixty (360) questionnaires that were distributed, only three hundred and eleven (311) were correctly filled out and returned. Hence, forty-nine (49) were either not returned or poorly completed. The sampling frame of the study includes accountants, auditors, administrative officers, and line-officers in public sector organizations in the selected states. Non-accountants were included in the sampling frame because IPSAS is a business model rather than just an accounting model. Officers that are from grade level 7 and above were sampled.

### 3.4 Sample Size

Sample size for any study depends on a number of factors, such as the number and nature of the population. The sample size of this study was chosen so that the data would be representative of the population. Hence, the samples included all the categories of workers in the public sector, including accountants, auditors, administrative officers, and line officers. See table 1 below for details.

**Table 1: Distribution of Questionnaires**

Agencies/ Stakeholders	Admin Officers	Accountants	Auditors	Line Officers	Total
Niger State	30 (25)	30 (27)	30 (25)	30 (26)	120 (103)
Kwara State	30 (28)	30 (24)	30 (26)	30 (24)	120 (102)
Kogi State	30 (27)	30 (26)	30 (28)	30 (25)	120 (106)
Total	90 (80)	90 (77)	90 (79)	90 (75)	360 (311)

Figures in prentices are the number of questionnaires that were returned

**Source:** Data Collected from Field survey in 2021

### 3.5 Sampling Techniques

To be able to generalize the outcome of this study, the sampling must be representative of the population. Hence, the stratified purposive sampling technique is adopted because the population is heterogeneous.

### 3.6 Data Collection

This study collected primary data with the aid of a structured questionnaire, which was designed to elicit information from respondents on the extent to which IPSAS has assisted in achieving transparency and accountability in the selected states. The questionnaire mainly adopted a five-point Likert scale since the data is non-parametric in nature. The researchers carried out an informal interview to clarify some grey areas in the responses of the respondents. This enables the researchers to have more information than what is in the questionnaire.

### 3.7 Validity and Reliability of Data

Validity and reliability of the instrument are ensured by the researchers through pre-testing of the questionnaire and the interview check-list at the Agricultural and Rural Management Training Institute (ARMTI) (i.e., some of the identified respondents). The researchers also sought the assistance of colleagues to go through the instruments before going to the field.

### 3.8 The Method of Data Analysis

For a meaningful outcome from this study, the data must be properly classified, organized, and subjected to the necessary statistical analysis. For instance, the socio-demographic characteristics of respondents were analyzed with descriptive statistics such as percentages, averages, and ranges. Ordinal logistic regression analysis is adopted to assist researchers in identifying pertinent findings and useful conclusions. On the other hand, the different hypotheses were tested with the Mann-Whitney-U test. These techniques were adopted because of the nature of the data collected, which is ordinal in nature. The level of significance adopted by this study is 5%. Microsoft Excel and the Statistical Package for Social Sciences (SPSS) were used to analyze the data collected. The reasons for the selection of these programmes were the ease and accuracy with which they perform word processing, statistical analysis, and pictorial representation of information.

### 3.9 Model Specification

The model specification is hinged on the various theories/concepts such as stewardship, stakeholder, agency, governance, etc., that help to explain IPSAS vis-à-vis accountability and transparency. Similarly, it is also based on the Taylor's series expansion as explained above.

$$ACC = a_0 + a_1T = a_2D + a_3H + a_4K + a_5P + a_6DU + a_7U$$

$$TRANS = a_0 + a_1T = a_2D + a_3H + a_4K + a_5P + a_6DU + a_7U$$

Where:

ACC = Accountability in IPSAS; TRANS = Transparency in IPSAS;  $a_0$  = Intercept

$a_1, \dots, a_7$  = Coefficients of the explanatory variables

T = Timely record-keeping and presentation;

D = Disclosure of an accurate and sufficient report/information;

H = Having an unqualified audit report;

K = Keeping relevant information for all categories of officers;

P = Engendering a positive response from stakeholders;

DU = Engendering due-process in government activities

U = Engendering uniformity and comparability of reports and information

## 4. Result and Discussion

### 4.1 Socio-Economic Characteristics of Respondents

The data collected shows the following; respondents within the age bracket of 26-45 years are 38.2%, while the least is within the age bracket of 16-25 years (12.7%). This indicates that the opinions of mature people were sampled. The respondents are also of active age. On the other hand, respondents that were sampled included administrative officers (29.1%), accountants (23.6%), and line officers (27.3%). Similarly, middle-level officers represent 60%, low-level officers are 12%, and top-level officers are 27%. It also shows that males are in the majority with 60%, while females are at 40%. The majority of the respondents are either first-degree holders (74.5%) or professional accountants. Hence, they are well educated. In the same vein, respondents that have spent between 11 and 15 years in service are in the majority (27.3%). This is followed by those within 6–10 years of service (25.5%). Hence, about 53% of the respondents have put in between six (6) and fifteen (15) years in their present cadre or business. Hence, they are highly experienced.

**Table 2: Ordinal Logistics Regression Coefficients and Related Statistics**

Var./ Statistics	Intercepts	T(a <sub>1</sub> )	D(a <sub>2</sub> )	H(a <sub>3</sub> )	K(a <sub>4</sub> )	P(a <sub>5</sub> )	DU(a <sub>6</sub> )	U(a <sub>7</sub> )	R <sup>2</sup>	Adj(R <sup>2</sup> )
Accountability	190.283 (-0.216)	53.417* (0.033)	33.087** (0.066)	-128.26** (-0.033)	62.72 (1.174)	-58.293 (-0.205)	123.12** (0.037)	109.087** (0.006)	0.815	0.793
Transparency	251.63* (0.031)	122.17** (2.081)	7.566** (0.033)	25.062** (0.047)	59.204** (4.647)	11.521 (0.03)	25.503 (-0.892)	218.29** (-0.095)	0.772	0.764

\*Significant at 1%, \*\*Significant at 5% and Figures in Parentheses are t-statistics

**Source:** Computation of data from field survey in 2021

From table 2, the following regression equation is derived

$$ACC = 190.283 + 53.417T + 33.87D - 128.26H + 62.72K - 58.293P + 123.12DU + 109.087U \quad (0.216)$$

(0.033) (0.066) (-0.033) (1.174) (0.205) (0.037) + 109.087U (0.0066)

$$TRANS = 251.63 + 122.17T + 7.566D + 25.062H + 59.204K + 11.521P + (-0.031)DU + 218.29U \quad (-2.081)$$

(0.033) (0.047) (4.647) (0.003) 25.503DU + 218.29U (-0.892) -0.095

From the analysis in table 2, IPSAS had positive effect on accountability via timely record-keeping and presentation, disclosure of accurate and sufficient information, keeping relevant information for all categories of officers, due process in government activities, as well as uniformity and comparability of financial reports. However, it has a negative impact through an unqualified audit report and a positive response from stakeholders. This might not be unconnected with the poor management of the external audit process coupled with the poor operation of public account committees (PAC) in the various Houses of Assemblies. Similarly, due process is more of an administrative and political decision than a financial one. Hence, it is socially influenced. From table 2, the adjusted R<sup>2</sup> of 0.793 reveals that variations explained in accountability (the dependent variable) by the explanatory variables are 79.3%. This also shows that variables that are exogenous

to this model explain the variation in accountability by about 31%. This means this model substantially explains the variations in accountability.

In the same vein, IPSAS has a direct impact on transparency through; timely record-keeping and presentation, disclosure of accurate and sufficient information, keeping relevant information for all categories of officers, engendering positive responses from stakeholders, due-process in government activities, an unqualified audit reports, and positive responses from stakeholders, as well as uniformity and comparability of financial reports. From table 2, the adjusted R<sup>2</sup> of 0.764 reveals that variation in transparency (the dependent variable) is explained by the explanatory variables by 76.4%. This also shows that variables that are exogenous to this model explain the variation in transparency by about 34%. This means this model substantially explains the variations in transparency. Generally, implementation of IPSAS has a direct and positive impact on accountability and transparency in public sector financial management of the selected states.

#### 4.2 The Mann-Whitney-U Test for the Hypotheses

The Mann-Whitney-U test reveals that there is no statistical difference between the views of accountants and other officers on timely record-keeping and presentation; disclosure of accurate and sufficient information; keeping relevant information for all categories of officers; engendering positive responses from stakeholders; due process in government activities; and uniformity and comparability of financial reports at a 95% level of confidence. However, there is a statistical difference between the views of accountants and other officers on the unqualified audit report as well as a positive response from stakeholders at a 95% level of confidence. The result of the analysis is presented in table 3.

**Table 3: Results of Mann-Whitney-U Test**

Null Hypotheses	T-Test Statistics	P-Value	Decision	Significance
There is no significant difference in the views of accountants and other officers on the effects of IPSAS on timely record-keeping and presentation.	1.684	0.061	Do not reject the null hypotheses	Not-Significant
There is no significant difference in the views of accountants and other officers on the effects of IPSAS on disclosure of accurate and adequate report/information.	3.219	0.051	Do not reject the null hypotheses	Not-Significant
There is no statistical difference in the views of accountants and other officers on the effects of IPSAS on having an unqualified audit report.	2.678 *	0.023	Reject the null hypotheses	Significant
There is no statistical difference in the views of accountants and other officers on the effects of IPSAS on keeping relevant information for all categories of officers.	1.839	0.152	Do not reject the null hypotheses	Not-Significant

There is no statistical difference in the views of accountants and other officers on the effects of IPSAS on engendering a positive response from stakeholders.	5.927 *	0.035	Reject the null hypotheses	Significant
There is no statistical difference in the views of accountants and other officers on the effects of IPSAS on engendering due-process in government activities.	7.369 *	0.235	Do not reject the null hypotheses	Not Significant
There is no statistical difference in the views of accountants and other officers on the effects of IPSAS on engendering uniformity and comparability of reports and information.	11.521	0.042	Do not reject the null hypotheses	Not-Significant

**Source:** computed from survey data, 2021, Significant at 5% level.

Apart from the analysis of data collected through questionnaire from the field, observations, as well as interviews and discussions with respondents, show that the effectiveness of the implementation of IPSAS on accountability and transparency is hindered by inadequate infrastructural facilities, skills, and socio-cultural issues, administrative lacuna, and political will. For instance, the general get-rich-quick attitude of Nigerians often results in collusion among public-sector operators. Similarly, tribal sentiments often result in inadequate sanctions for wrong doings. In the same vein, inadequate facilities such as electricity, computer systems, and the internet especially at the state level hinder the proper implementation of IPSAS. Another thing that hinders the effectiveness of IPSAS on governance is the late passage of the annual budget and cash-backing. Inadequate skills of accountants and other professionals, especially at the state level, also adversely affect the implementation of IPSAS. Similarly, the level of awareness of non-accounting staff about IPSAS needs improvement.

## 5. Summary and Conclusion

Analysis of data collected from the field, observations, as well as interviews, and discussions with respondents, suggests that the implementation of IPSAS in Nigeria has a positive impact on accountability and transparency in the financial management of the selected states. However, it is possible that it did not have the desired impact on the level of corruption and, as a result, the level of poverty in the country due to insufficient infrastructure, skills, socio-cultural issues, administrative gaps, and political will.

From the above, the following suggestions are plausible in improving the level of achievement of accountability and transparency in public sector financial management via IPSAS in Nigeria.

- i. Accounting bodies, including the Institute of Chartered Accountants of Nigeria (ICAN), Association of National Accountants of Nigeria (ANAN), and Financial Reporting Council (FRC) of Nigeria, should be empowered to form a consortium to monitor the level of implementation of IPSAS in the states to ensure a uniform level of implementation.

- ii. Full implementation of IPSAS at the local government levels should be aggressively pursued by the accounting professional bodies and the Financial Reporting Council (FRC) of Nigeria.
- iii. Early passage of the Nigerian annual budgets at both state and federal levels is recommended to ensure adequate time for contract planning and implementation.
- iv. Adequate encouragement, including protection, and rewards should be given for whistle-blowing.
- v. General enlightenment and capacity building for all senior civil servants through seminars, conferences, workshops, training, and retraining, especially at the state level, to bridge the knowledge and information gap among them. Enlightenment, training, and re-training are necessary because of the dynamic environment that we operate in, coupled with the fact that there are new entrants into the public service.
- vi. Online contract tendering should be encouraged to reduce direct interaction between service providers and procuring organizations. This will enhance public sector accountability and transparency in Nigeria.

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