ISSN 2276 9447

AL-HIKMAH UNIVERSITY
ILORIN, NIGERIA
LEARNING FOR WISDOM AND MORALITY

ENTREPRENEURIAL JOURNAL OF MANAGEMENT SCIENCE (EJMS)

A publication of
Faculty of Management Sciences;
Al-Hikmah University, Ilorin, Nigeria

Volume 6, Number 2, 2019

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INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD (IPSAS) DISCLOSURE REQUIREMENTS AND BUDGET PERFORMANCE IN THE NIGERIAN PUBLIC SECTOR

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Abstract

The practice of budgeting in the Nigerian public sector, before the implementation of IPSAS, has become more of annual ritual than a functional activity; hence, no stable yardstick through which relevant stakeholders could evaluate actual performance from estimated activities at the year-end. This study investigated the effect of International Public Sector Accounting Standard (IPSAS) 18, 22 & 24 disclosure requirements on Budget Performance in Nigeria. Data were drawn from the primary source through the use of questionnaire to elicit responses from sampled 257 public servants who were conversant with information on public budget performance. Multiple Regression was adopted for inferential statistical analysis. The result indicated that IPSAS 18, 22 and 24 disclosure requirements do have significant effect on budget performance in Nigerian public sector. In view of the findings, it was recommended that government should adopt and implement full accrual IPSAS to ensure effective management of public funds and proper accountability. Those saddled with the responsibility of carrying out over-sight functions and monitoring of budget implementation should be trained on the IPSASs implementation and application.

Keywords: Transparency, Accountability, Budget Performance, Cash Basis, Accrual Basis, Public Sector Entity.

1. Introduction

The International Public Sector Accounting Standard (IPSAS) is the hub of global revolution in government accounting, in response to calls for greater government financial accountability and transparency (Heald, 2003). IPSAS refers to the recommendation made by the IPSAS Board under the auspices of the International Federation of Accountants. The International Public Sector Accounting Standard Board (IPSASB) develops accounting standards for public sector entities referred to as International Public Sector Accounting Standards (IPSAS). The IPSASB is among the four independent standard -setting boards of international Federation of Accountants (IFAC). It governs the accounting system of the public sector, and comprises entities or organisations that implement public policy through the provision of services and the redistribution of income and wealth with both activities supported mainly by compulsory tax or levies on other sectors. This comprises government and all public owned, controlled and funded agencies, enterprises and other entities of government that deliver public programmes, goods or services (Kara, 2012).

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Government accounting is commonly perceived as a bureaucratic and unfriendly business financial reporting system. Effective accounting system leads to improvement in a government's financial reporting and management. Effective government accounting makes it possible to manage government finances smoothly and provide audit trails to prevent and detect financial misconduct. However, the accounting system contributions to the achievement of higher-order goals in the area of non-financial performance such as poverty reduction, employment generation, and economic growth in the long-run cannot be over-emphasized. The accounting system is in effect the "nerve of government" because it is the core of a government's financial command and control centre. A government accounting system can be rudimentary or sophisticated. A good government accounting system at the minimum keeps accurate financial records, directs the attention of policy makers and managers to problem areas; and at its best, provides information useful for decision making (IPSAS, 2005).

Over the years, several issues have led to the ineffective and inadequate implementation and performance of the Nigeria budget. These issues include: budget padding, budget delay, mismanagement, poor allocation, corruption, budget slack and so on. Aguguom and Ehiogu (2016) argued that budget padding had been an entrenched process in finance and budgeting process in Nigeria through the years, however, got to disturbing rate in 2016 as N100 billion was illegally padded in 2016 based on facts available, inflating the budget to N6.06 trillion. The current scandal unfolding in the National Assembly, in its Green Chamber – the 'House Of Representatives' - around the accusations and counter-accusations of budget padding, is not only a continuation of the initial budget padding scandal that occasioned the preparation, passage and enactment of the 2016 Appropriation Act, but is also instructively one of the most manifest indication of the steep and historical decline in the quality of Nigeria's ruling elite and class since independence in 1960 (Jaye, 2016; Omeje & Ogbu, 2019). IPSAS 18, 22 & 24 by their concept and objectives are to change these anomalies particularly, in the areas of segmenting reporting, condition stipulate for General Government Sector as well as the Budget Performance (IPSASB, 2014).

In Nigeria, the Institute of Chartered Accountants of Nigeria (ICAN) has called on the Federal Government to make adequate provisions for the implementation of International Public Sector Accounting Standards (IPSAS) Accrual Basis in the 2018 budget (Steve, 2017). Speaking at ICAN's Economic Discourse Series, with the theme: "2018 FGN Budget and Beyond," held in Lagos, the Institute's President, Isma'ila Muhammadu Zakari, said that ICAN considered IPSAS an essential component that should not be ignored in the budget implementation process in order to put in place an enhanced public finance management system (Steve, 2017). This, according to him, would facilitate the economic consolidation envisaged in 2018 Federal Government budget proposals. This, no doubt, will translate to positive performance on the part of the public sector. He added that if the National Assembly could pass the 2018 Appropriation Bill and get it signed into law by December 31, 2017, the Nigerian economy would be better for it (Steve, 2017).

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1.1 Statement of the Problem

Prior to the introduction of International Public Sector Accounting Standard (IPSAS) and subsequent scheduled adoption in Nigeria in the year 2012 which, was later shifted to 1st January, 2014, financial statements of ministries, departments, and agencies (MDAs) of government were being prepared in adherence to the provisions entrenched in the Public Sector Regulatory Framework such as Finance (Control & Management) Act of 1958 as amended by CAP 15 LFN 2004, Financial Regulation, and so on. (Nkwagu, 2016)). Unfortunately, such financial information prepared and published adopting the domestic extant rules, regulations and standards does not meet the qualitative characteristics of useful financial information as well as the need of users and therefore, adversely affect the quality and comparability of financial information reported by the public sector entities in Nigeria. This situation renders financial performance evaluation of public sector tedious for users of the reports in terms of accountability in governance particularly, as it affects budget performance.

Although, financial performance is a subjective measure of the accountability of an entity for the result of its policies, operations and activities quantified for an identified period in financial terms. In the public sector, the nature of financial performance is a function of what the public sector entity is held accountable for in accomplishing stated financial goals within the identified period, as entrenched in the budget estimate and Appropriation Act. Multiple perspectives of financial performance when considered together provide a comprehensive picture of a public sector entity's achievement in relation to the multiple accountabilities expected of it.

The government budget document is a plan of its activities and is expected to be followed item-by-item, in its implementation and execution. It appears that some departments, establishments, ministries at federal, state and local government levels do not follow their budgets closely. Thus, leads to unaccomplished items of the budget. It is therefore, incontestable that departure from approved budget items is tantamount to delay in development, social conflicts, sub-optimization and corruption in administration and governance. The consequences might take the form of erosion of domestic and international confidence in public sector financial performance, transparency, accountability, quality of financial reports and comparability that are always the focus of the International Community, Financial Institutions as well as foreign investors. Such negative perception does affect the socio-economic development of a nation.

Hitherto it is a known fact that the practice of budgeting in the Nigerian public sector, based on the traditional cash basis standard, has become more of annual ritual than a functional activity; hence, no stable yardstick or medium through which relevant stakeholders could evaluate the actual performance from estimated activities at the year-end. This is an infraction on IPSAS relevant provisions. According to Gberegbe and Micah (2013), this fact has condemned budgets to be mere annual rituals. Poor budget implementation in Nigeria is a huge indictment on both the executive and legislative arms of government at the local, state and federal level. This can be traced to

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the implication of cash basis of accounting as a technique for recording financial transactions in the public sector. Hence, there is a need to comply with the disclosure requirements set by the International Federation of Accountants through IPSASB on the standards issued by the board for public sector compliance. It is against this backdrop, that this study examined the effect of International Public Sector Accounting Standards (IPSAS 18, 22 & 24) disclosure requirement on budget performance in Nigeria.

1.2 Hypothesis of the Study

H_0: International Public Sector Accounting Standards disclosure requirements have no significant effect on budget performance in Nigeria

2. Literature Review

2.1 Conceptual Review

2.1.1 Nigerian Public Sector and IPSAS

IPSAS is a set of accounting standards issued by the IPSASB for use by public sector entities around the world in the preparation of financial statements (IPSAS Handbook, 2015). The accrual IPSAS is based on International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) where the requirements of those standards are applicable to the public sector. They also deal with public sector specific financial reporting issues that are not dealt with in IFRS. The Federal Executive Council (FEC) in Nigeria approved the roadmap for the adoption of IFRS and IPSAS for both private and public sectors respectively in July, 2010. The primary aim of the adoption was to enhance and strengthen the country's financial reporting standards in line with international best practices (Otunla, 2012). A sub-committee was set up in June, 2013 by Federal Account Allocation Committee (FAAC) to work out a blueprint for the implementation of IPSAS in the three tiers of government. Price Water House Coopers (2012) posited that the objective of IPSAS adoption is to ensure that public interest is served and protected by developing high quality public sector financial reporting standards and by ensuring the convergence of both national and international standards, thereby enhancing the quality, transparency and uniformity of financial reporting throughout the world.

2.1.2 International Public Sector Accounting Standards (18, 22 &24) Disclosure

Basically, the international public sector accounting standards are issued by the IPSASB for application in the public sector entities with a view to improving its performance. The IFAC, which its mission, is to meet the interests of the public by assisting in the development, adoption, and implementation of general purpose and accepted high quality international accounting standards and guidance constituted the IPSASB which in turn, issues the IPSAS (Berger, 2012). The standards are globally accepted high quality financial reporting system that provides for full disclosure of all assets, liabilities, and contingent liabilities that evaluates the fair value of economic activities in the public sector (IFAC, 2012). The purpose of the issuance of the IPSAS is to improve the quality, transparency, and credibility of financial statements so as to enhance

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accountability in the public sector (Bellanca & Vandernoot, 2013). Galera and Bolivar (2012) in their study on adopting IPSAS to improve governmental accountability in Spain stated that the adoption of IPSAS could favour transparency and accountability in the country.

To date, the number of international public sector accounting standards (IPSASs) issued by the IPSASB have risen to Forty one (41) standards (IFAC, 2015). All these standards were developed towards ensuring accountability, harmonization, and full disclosure of financial information to permit informed judgment by the interested accounting information users (Izedonmi & Ibadin, 2013).

IPSAS 18 on segment reporting establishes principles for reporting financial information by segments (Berger, 2016). The disclosure of this information will help users of the financial statements to better understand the entity's past performance and to identify the resources allocated to support the major activities of the entity and enhance the transparency of financial reporting and enable the entity to better discharge its accountability obligations.

Similarly, IPSAS 22 deals with the general government sector and prescribes the disclosure requirements for governments in their consolidated financial statements. The disclosure of appropriate information about the GGS can enhance the transparency of financial reports, and provide for a better understanding of the relationship between the market and non-market activities of the public sector and between financial statements and statistical bases of financial reporting (Berger, 2016).

IPSAS 24 is on the presentation of budget information in Financial Statements and is central to performance measurement as it requires a comparison of budget amounts and the actual amounts arising from execution of the budget to be included in the financial statements of entities which are required to, or elect to, make public the approved budget(s) and for which they are, therefore, held public accountable (Berger, 2016). He stated that the standard also requires the disclosure of an explanation of the reasons for material differences between the budget and actual amounts. Compliance with the requirements of this standard will ensure that public sector entities discharge their accountability obligations and enhance the transparency of their financial statements by demonstrating compliance with the approved budget(s) for which they are held accountable, and where the budget(s) and the financial statements are prepared on the same basis, their financial performance in achieving the budgeted results. He further submitted that IPSAS adoption will have a significant impact on the quality of financial reporting in the Nigerian public sector and recommended that regulatory authorities should adopt adequate measures to ensure compliance by those saddled with the responsibility of preparing public sector financial statements

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2.1.3 Determinants of Budget Performance in Nigeria

Ewubare & Kakain (2017) opined that Nigeria is endowed with resources required to be among the biggest industrialised nations of the world, but the problem of leadership has been a barrier for the realisation of Nigerian dreams. According to the critics of Nigerian leadership, the interest of the country is always put at the bottom as people come into politics only to make money rather than to serve (Musa, 2016). Between the year 1999 and 2015, Nigeria had presented 16 annual budgets with the view to creating development in the country. This has not been the case. This is a hypocrisy which has been politically justified during the art of budget making by ensuring that recurrent expenditure covers significant part of the budget than capital expenditure (Musa, 2016). As such, the Nigeria's national budgets between 1999 and 2015 have been feeding the nation with non-developmental budget.

Budget performance is traditionally measured by the achievement of objectives set aside to accomplish. However, the successful implementation of the budget is a necessary condition to legally ascertain whether the objectives are achieved or not (Philips, 2000). On the other hand, the quality of implementation is also dependent on many factors in the country. Below is a list of such factors that determine budget performance in the light of implementation:
(i). Political will for effective Implementation (ii). Quality of National Institutions (iii). Awarding Projects to Appropriate Institutions / Personnel (v). Completion of Projects (vi). Social Stability (vii). Absence of Corruption. (Mwasi, 2017).

Based on the factors listed above, throughout the history of Nigeria between 1999 and 2015, government has not performed to a large extent (Musa, 2016). The lack of political will and poor quality of national institutions do not require empirical evidence. Corruption has always been the biggest challenge in Nigeria (Musa, 2016). Because of corruption, most of the funds set aside for developmental projects have been diverted to private pockets; awarding of projects to oneself or friends and relations have always been the culture in Nigeria and where the projects are awarded to quality institutions, completion of the projects have also always been a problem. According to Mathew and Shayen (2015), if scores could be awarded to the Federal Government in terms of budget performance in the areas of power, building of roads, and structures of national institutions, education, health, security among others, it will not exceed 5%. This is because every year, Nigerians prefer their previous years. The lack of development in Nigeria under the entire duration of PDP administration does not require rocket science to know. All such disabilities were as a result of too much corruption and the poor state of justice institutions of the country.

2.1.4 Effects of International Public Sector Accounting Standards on Budget Performance

The executive arm of government at federal, state, and local tiers have been blamed over the years for poor budget implementation and lack of construction, installation, and

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rehabilitation of necessary public infrastructures in the areas of power, transportation, communication, education and so on. (Ibanichuka & Oyadonghan, 2014). Kuye (2010) also noted that the Nigerian budgeting system lacks transparency and accountability in their cash basis which makes it very susceptible to inefficiency, poor implementation and performance. It is against these inherent problems in budget implementation, that Ibanichuka and Oyadonghan (2014) recommended that the accrual based IPSAS adoption would ensure effective budget implementation because IPSAS shows accurate financial position and changes in the financial position. They stated further that IPSAS guarantees evaluation of government performance, efficiency, accomplishment, and above all, demonstrates accountability to the members of the public. In the same vein, Nweze (2013) was of the opinion that IPSAS' adoption and proper implementation would pave way for improved budget implementation because the standards provide better estimates of the macro-economic impact of government fiscal policy, reduction in budget manipulation attempts, improvement in transparency and accountability, better utilization of scarce resources, improvement in non-financial asset management, and above all, provide necessary information for decision making. Besides, IPSASs adoption and proper implementation would permit informed basis for fiscal policy and enhance accountability in the budgetary processes through the provision of comprehensive financial information and recognition of non-financial assets (Khan, Seiwald, & Schaik, 2014).

Babatunde (2013) studied the impacts of adoption of accrual based budgeting on transparency and accountability in the Nigerian public sector. The study sought to examine if it is worthwhile that the current cash based budget should be prepared under accrual basis in Nigeria using IPSAS. The study adopted a survey design where questionnaires were used on a sample of 376 respondents and both descriptive and inferential statistics were used in analysing the data, while data testing was performed using Karl Pearson coefficient of correlation. Findings of the study showed that transparency and accountability have reasonable impact on economic development / growth in the Nigerian public sector, just like there is a significant impact of accrual budgeting on transparency and accountability.

Ofoegbu (2014) studied the new public management and accrual accounting basis for transparency and accountability in the Nigerian public sector which aimed at ascertaining the experts perception on the implementation of IPSASs accrual basis of accounting in achieving accountability and improved quality of accounting information in the Nigerian public sector. The study administered questionnaire to 112 auditors and accountants in the public sector. The data collected were analysed using descriptive statistics, while the hypotheses were tested using standard deviations, means, descriptive statistics and friedman"s test statistics via SPSS. Findings of the study indicate that the adoption and implementation of IPSASs in the Nigerian public sector would significantly enhance transparency though, with some challenges. The study recommended that government should provide the legal frameworks for

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proper and effective implementations of IPSASs accrual basis of accounting in Nigeria.

Furthermore, Roje, Vasicek, and Vasicek (2010) carried out a study on accounting Regulation and IPSAS implementation: Efforts of Transition Countries toward IPSAS Compliance. The study examined the comprehensiveness and effectiveness of public sector accounting and financial reporting model, taking into account the existing accounting regulations and financial reporting system in countries of Croatia, Slovenia, and Bosnia and Herzegovina. The study discussed the status and perspectives of these countries to ascertain their level of convergence to the new international standards. The findings of the study showed that the level and changes of public sector accounting systems in most countries were dependent on their peculiar nature that ought to be looked at when implementing the standards. The results further revealed that most of the countries experienced one challenge or the other in their attempts to implement the standards. The study recommended full adoption of the IPSAS on the ground that the adoption was capable of improving on assets management, accountability, harmonisation and generation of useful accounting information that could guarantee economic development of those countries that adopted the standards.

Mhaka (2014) studied IPSAS, a Guaranteed way of Quality Government Financial Reporting; a Comparative Analysis of the Existing Cash Accounting and IPSAS Based Accounting Reporting. The study aimed at examining the cost benefit analysis of IPSAS adoption in Zimbabwe by way of comparing the existing cash accounting basis with the proposed IPSAS based accounting reporting. The study adopted the methodology of reviewing and analysing of relevant discourse, publications, and documentary materials from some professional accounting organisations, notable authors, NGOs, and success stories of IPSAS adoption. Findings show that IPSAS adoption enhances and improves the quality of public sector financial information, asset management, and level of accountabilities; thereby increasing the confidence of both domestic and foreign donor organisations to make financial assistance available for public sector entities. The study recommended that the Zimbabwe government should work with the relevant stakeholders to ensure effective and smooth adoption and implementation of the international standards. The sturdy further recommended the provision of necessary financial resources for the employment and training of accounting personnel and procurement of necessary accounting packages.

2.2 Empirical Review

Studies on the effect of International Public Sector Accounting Standard on budget performance, efficient budget implementation and financial accountability are still evolving and have received wide attention. For instance, Maciuca and Seucea (2013) carried out a study on the moments in the modernisation of public accounting in Romania: case study regarding the revaluation and amortization of fixed assets. The study was aimed at ascertaining how the transitions to IPSAS created improved management of the assets of public institutions, applied scientific approach of case study. The study unveiled that IPSAS implementation paves way for increased efficiency of

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management and decision making due to better information, minimizing risk of errors in payments to beneficiary and better budget performance. The study recommended that adoption of commitment budget should be made by the Romanian government to witness all round performance.

In the same vein, Acho (2014) looked at the challenges of adopting International Public Sector Accounting Standards (IPSASs) by Nigeria. The study was aimed at examining the challenges facing Nigeria in the adoption of IPSAS, it used survey methodology and found that the adoption of IPSAS would significantly improve accounting financial reporting system in the Nigerian public sector which would in no doubt reduce corruption and other ill practices in the public sector. In view of the findings reported, the study suggested the need for all tiers of Nigerian government to join hands together and ensure its full adoption and possible implementation.

Babatunde (2013) studied the impacts of adoption of accrual based budgeting on transparency and accountability in the Nigerian public sector. The study sought to examine if it is worthwhile that the current cash-based budget should be prepared under accrual basis in Nigeria using IPSAS. Using descriptive and inferential statistics on the data gathered from a sample of 376 respondents, the results showed that transparency and accountability recorded in the Nigerian public sector in recent times, are products of accrual budgeting.

Ofoegbu (2014) studied the new public management and accrual accounting basis for transparency and accountability in the Nigerian public sector and aimed at ascertaining the experts' perception on the implementation of IPSASs accrual basis of accounting in achieving accountability and improved quality of accounting information in the Nigerian public sector. The study administered questionnaire to 112 auditors and accountants in the public sector. The results indicated that the adoption and implementation of IPSAS in the Nigerian public sector would significantly enhance transparency, though with some challenges. The study recommended that government should provide the legal frameworks for proper and effective implementation of IPSAS accrual basis of accounting in Nigeria.

To the best of these present researchers' knowledge, there is scanty evidence on IPSAS disclosure requirements and budget performance. The current study is an extension of knowledge frontier by examining the effect of IPSAS 18, 22 and 24 disclosure requirements on budget performance.

2.3 Theoretical Evidence

Much of the research into governance derives from agency theory, which posits that accountability is necessary in order to ensure that the principal-agent problem is mitigated (Berle & Means, 1932). The agency theory was established by Jensen and Meckling. An "agent" is someone who performs work on behalf of another individual (i.e. the principal). The difficulty that arises from the principal-agent relationship is that it

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is not possible for principals to contractually define everything that the agent should do in every conceivable situation. The "ideal" or "complete" contract is impossible due to bounded rationality. The problem arising from the principal-agent relationship may be exacerbated by three factors: hidden information, sunk costs and opportunism (Fama & Jensen, 1983b).

Jensen and Meckling (1976) argued that the separation of ownership and control has resulted in an agency problem as the managers who act as agents might not always act in the best interests of the shareholders or owners, who are the principals of the firm. This might be due to the interests of both parties which are not aligned. Agency problem results in agency costs, which are the costs of the separation of ownership and control. An agency cost has been defined as the sum of the monitoring expenditure by the principal, the bonding expenditures by the agent and the residual costs. The agency problems arise because managers will not solely act to maximize the shareholders' wealth; they may protect their own interests or seek the goal of maximizing company' growth instead of earnings while making decisions. They suggested that the inefficiency may be reduced as managerial incentives to take value maximizing decisions increased. Meanwhile, agency cost includes: monitoring costs, bonding costs, residual loss and costs of free cash flow and debt.

The theory being applied to the current study explains how personal interest has affected financial accountability in the public sector. The theory also explains separation of ownership and control and how it has affected the delivery of public good and public fund by both principal and agent. It models the relationship between principal (public sector stakeholders) and the agent (government managers). In this regard, IPSAS disclosure requirement will facilitate full disclosure of information required by the users of financial statement, in this case the public sector stakeholders.

3 Methodology

3.1 Research Design

The study adopted exploratory survey design due to the fact that the study lacks accumulated information about the subject matter in Ministry of Budgeting and Economic Development.

3.2 Population and Sample Size of the Study

The population of the study was made up of relevant public servants conversant with information on public budget performance and fiscal ideals such as Economists, Accountants and Internal Auditors and other relevant staff in the Ministry of Budgeting and Economic Development in the Federal Capital Territory, Abuja. A sample size of two hundred and fifty-seven (257) people was carefully selected using purposive sampling technique. This covers both permanent and contract staff

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3.3 Instrument of Data Collection

The study administered four-point likert type questionnaire to respondents in the Ministry of Budgeting and Economic Development. These questionnaires contained items on effect of IPSAS disclosure requirements on budget performance in Nigeria. This is based on the fact that the Ministry is also responsible for Budget performance. Pilot study was conducted on the selected twenty staffers in the Ministry to ascertain the validity of the instrument. The reliability of the instruments was tested using Cronbach's Alpha which showed a result ranging between 0.745 to 0.795 as shown in the table 3.1. A Cronbach's Alpha value between 0.7 and 0.8 is considered statistically reliable (Field, 2006). Therefore, the study instrument of gathering data could be said to be reliable.

Table 3.1: Reliability Statistics

Variables	Cronbach's Alpha	No of Items
Budget Performance	0.795	5
IPSAS 18 Disclosure Requirement Compliance	0.745	5
IPSAS 22 Disclosure Requirement Compliance	0.791	5
IPSAS 24 Disclosure Requirement Compliance	0.768	5
Overall	0.775	20

Source: Authors' Survey, 2019

3.4 Method of Data Analysis

Descriptive and inferential statistics techniques were used to analyse the primary data collected from the survey. Descriptive statistics provide a snapshot of variables used. Inferential statistics-Multiple regression analysis was employed to test the formulated hypothesis.

3.5. Model Specification.

Following Odelabu (2014), the regression model developed has Public Sector Budget Performance (PSPB) as the dependent variables, while the IPSAS 18, 22 and 24 Disclosure Requirements in Nigeria are the independent Variables. The relationship of this model is presented in the equation below;

Budget Performance = (IPSAS 18 Disclosure Requirement; IPSAS 22 Disclosure Requirement; IPSAS 24 Disclosure Requirement)..... (1)

The above functional expression is given mathematically as;

$PSBP = \beta_0 + \beta_1 IPSAS18DR_i + \beta_2 IPSAS22DR_i + \beta_3 IPSAS24DR_i + \mu_i$.....(1)

Where:-

PSBP = Public Sector Budget Performance;
IPSAS18DR = IPSAS 18 Disclosure Requirement;
IPSAS22DR = IPSAS 22 Disclosure Requirement;
IPSAS24DR = IPSAS 24 Disclosure Requirement;
α = is constant of the Model,

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β_0, $\beta_1\beta_2\beta_3$ - Regression Coefficients
μ = is the error term of the model

4. Results and Discussion

4.1 Descriptive Statistics presentation

The descriptive statistics provides a snapshot of the variables used. It shows the minimum and maximum scores obtained from the questionnaires used. It also provides information concerning the distribution of scores on continuous variables (skewness and kurtosis). A negative skewness value indicates a clustering of scores at the high end (right-hand side of a graph). Positive kurtosis value indicates that the distribution is clustered at the centre. This indicates that there is a deviation from normality in one aspect but not the whole sample. However, with a reasonable large sample size, both risks of skewness and Kurtosis can be greatly reduced. (Pallant, 2007). The skewness and kurtosis statistics indicate that the data are normally distributed when the cut of point is within -3 and 3 (Peck, Olsen & Devore, 2008). The result on table 4.1 shows that skewness lies between -0.422 to 0.165, while kurtosis lies between -0.556 to 0.067 which means that our data are normally distributed to carry out the use of parametric statistical analysis.

Table 4.1: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
BSPB	257	15.00	30.00	23.83	2.43	.119	.126	-.095	.252
IPSAS18DR	257	17.00	30.00	24.97	2.56	.044	.126	-.293	.252
IPSAS22DR	257	16.00	30.00	24.64	2.75	-.422	.126	.067	.252
IPSAS24DR	257	35.00	50.00	43.02	3.02	.165	.126	-.556	.252
Valid N (listwise)	257								

Source: Authors' Survey, 2019

4.2 Multicollinearity

Pearson Product Moment Correlation analysis statistics was undertaken to determine if there are potential multicollinearity problems among the independent variables. The result from the correlation analysis as shown in Table 4.2 indicates that there were no problems of multicollinearity among the independent variables as none of the correlation coefficient of the variables is above 0.7 (Pallant, 2007).

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Table 4.2: Correlation matrix

VARIABLES	BSPB	IPSAS18DR	IPSAS22DR	IPSAS24DR
BSPB	1.000	.549	.579	.585
IPSAS18DR		1.000	.481	.318
IPSAS22DR			1.000	.502
IPSAS24DR				1.000

Source: Authors' Survey, 2019

4.3. Test of Hypotheses

H0: International Public Sector Accounting Standards disclosure requirements have no significant effect on budget performance in Nigeria.

Table 4.3: Regression Analysis

Variables	Coefficient	Std Error	t-statistics	Sig
IPSAS18DR	0.019	0.0065	2.923	0.030*
IPSAS22DR	0.235	0.1021	2.302	0.001**
IPSAS24DR	0.193	0.0543	3.554	0.042*
Constant	1.091	0.213	5.122	0.000**
R^2	0.516			
Adjusted R^2	0.504			
F-ratio; F (prob)statistics	45.754; p=0.000			
Durbin Watson	1.872			

Source: Authors' Survey, 2019; **Note:** **, * indicates significance at 1% and 5% respectively

As shown in Table 4.3, a multiple correlation coefficient (R) of 0.516 indicated a fairly strong relationship between the dependent variable and the set of predictors as a whole. Also, the result shows a coefficient of determination (R^2) of 0.516 which implies that 55.6 percent of variation in the dependent variable is explained by the independent variables (that is IPSAS 18, 22 and 24 disclosure requirements), while 48.4 percent are accounted for by the error terms. The F-Statistics (45.754) is statistically significant at 1% which implies that the overall regression model is fit. The result also reveals a Durbin Watson statistics of 1.872 which is an indication that the model does not suffer from of autocorrelation problem. Overall, the model possesses an averagely higher predictive power.

The result of the multiple regression conducted as depicted in Table 4.3 shows a significant positive relationship between IPSAS 18 Disclosure Requirement Compliance

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(IPSAS18DR) and Public Sector Budget Performance (PSBP) at 5% level of significant. Based on the Coefficient, a unit increase in IPSAS 18 Disclosure Requirement Compliance will increase budget performance by 0.019. This confirmed the positive a priori expectation between the two variables. Hence, the null hypothesis is rejected. This automatically signifies the acceptance of the alternative hypothesis. The result is an indication that IPSAS 18 Disclosure Requirement Compliance has effect on Public Sector Budget Performance.

Also, the result reveals a significant positive relationship between IPSAS 22 Disclosure Requirement Compliance (IPSAS22DR) and Public Sector Budget Performance (PSBP) at 1% level of significant. Accordingly, based on coefficient, a unit increase in IPSAS 22 Disclosure Requirement Compliance will increase budget performance by 0.235. This confirmed the positive a priori expectation between the two variables. Hence, the null hypothesis is rejected. The result is an indication that IPSAS 22 Disclosure Requirement Compliance has positive effect on Public Sector Budget Performance.

Furthermore, the result reveals a significant positive relationship between IPSAS 24 Disclosure Requirement Compliance (IPSAS24DR) and Public Sector Budget Performance (PSBP) at 5% level of significance. Accordingly, based on coefficient, a unit increase in IPSAS 22 Disclosure Requirement Compliance will increase budget performance by 0.193. This confirmed the positive a priori expectation between the two variables. Hence, the null hypothesis is rejected. The result is an indication that IPSAS 24 Disclosure Requirement Compliance has positively affected Public Sector Budget Performance.

Generally, the results explain the trend in government financial reporting practice which influences the budgetary discipline of the government.

4.4 Discussion of Findings

The findings of the study revealed that the disclosure requirements of International Public Sector Accounting Standard (IPSAS) 18, 22 and 24 in Nigeria will lead to efficient budget allocation, enhance budget performance and halt the activities of corrupt public officers. The study posited that proper application of IPSAS specifically Objectives 18, 22 & 24 in the Nigeria annual budgeting system will pave way for quick disclosure of budget performance in the Nigeria. The findings supported the study of Nweze (2013) which had it that IPSAS adoption creates room for effective internal control of assets and liabilities and that comprehensive and consistent information is useful to good governance. The findings also aligned with the findings of Maciuca and Seucea (2013) and Ibanichuka and Oyadonghan (2014) who observed that adoption and implementation of IPSAS would ensure effectives budget performance in Nigeria.

The findings further agreed with the findings of Acho (2014) and Khan, Seiwald, and Schaik (2014) that IPSAS' adoption significantly improves accounting financial

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recording and reporting system which undoubtedly would disclose related party transactions, reduce corruption and other financial crime practices in Nigeria.

The hypothesis tested revealed that the null hypothesis was rejected and the study concluded that IPSAS disclosure requirement 18, 22 and 24 has an effect on budget performance.

5. Conclusions and Recommendations

5.1 Conclusions

Based on the results of the test of hypotheses with empirical backings from the literature review, the study concluded that the IPSAS disclosure requirement 18, 22 and 24 will go a long way in influencing efficient management of budgetary allocation, public financial transparency and budget performance in Nigeria public sector. The study also concluded that the IPSAS is more preferable than the traditional cash basis due to the fact that it has a high level of financial transparency and accountability.

5.2 Recommendations

Consequent upon the findings of the study, it is recommended that government should put in place effective and efficient measures that will ensure compliance with the disclosure requirements of IPSAS 18, 22 and 24 specifically as it affects budgetary allocation, public financial transparency and budget performance in Nigeria. This will ensure consistent disclosure requirement for effective management of public funds and proper accountability. Furthermore, those saddled with the responsibility of carrying out over-sight functions and monitoring of budget implementation should be trained on the IPSAS' implementation and application to facilitate quality and reliable financial reporting.

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