

**ADOPTION OF INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS ON
FINANCIAL REPORTING QUALITY IN NIGERIA PUBLIC SECTOR**

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ABSTRACT

This study examined the Adoption of International Public Sector Accounting Standards (IPSAS) on financial reporting quality in Nigerian Public Sector (Case Study of The Office of The Accountant General of Ekiti State. The objectives of this study are determining the impact of adoption of IPSAS on the Level of Accountability and Transparency in the Public Sector of Nigeria and to ascertain the contribution of adoption of IPSAS in enhancing comparability and international best practices. Primary source of data was employed to generate the data of interest. Research questionnaire was designed, which was made of hypothetic questions of the research work. Interview questions were formulated and tested for validity before dispatching to the chosen sample populace of 45 staffs of the Office of The Accountant General of Ekiti State. The statistical tool employed was the Chi-square test. From the findings of the study, it was observed that adoption of IPSAS is expected to increase the level of accountability and transparency in public sector of Nigeria. It was found that the adoption of IPSAS will enhance comparability and international best practices. Also, it was denoted that adoption of IPSAS based standards will provide more meaningful information for decision makers and improve the quality of the financial reporting system in Nigeria. Hence, the researcher concluded that the adoption of IPSAS in Nigeria is expected to impact operating procedures, reporting practices thereby strengthening good governance and relations with the government and the governed. One of the most researched and least understood variables in public sector accounting of the nation is how the accountability and stewardship of financial controls are conducted. Based on these, the research report recommends among others that for accountability to be successfully entrenched in public offices in Nigeria, there must be a reduction in the level of corruption, improving public sector accounting and auditing standards, legislators taking positions as champions of accountability and total restructure of public accounts committees and monitored application of the value of money in the conduct of government business.

INTRODUCTION

Over the last thirty years the public sector has gone through a wave of reforms worldwide, usually towards the adoption of business-like practices in order to enhance improved utilization of public resources. These reforms have led changes in the mode of presentation of financial reports in the public sector. Adegbite (2010) argues that these changes become imperative because the modern day government day needs vital financial information in order perform business effectively.

In recent times, countries of the world have defined and set the standards of financial reporting in their individual territories. However, globalization has brought about ever increasing collaboration, international trade and commerce among the countries of the world; hence, there is grave need for increased uniformity in the standards guiding financial statements so that such statement would remain comprehensible and convey the same information to users across the world. The need for the development of unified accounting standards has been the primary driver of international public sector Accounting Standards for public sector financial reporting. While the commercial entities across the world are moving toward international financial Reporting standards (IFRS), governments are harmonizing with International Public sector Accounting Standards (IPSAS). IPSAS govern the accounting by public sector entities, with the exception of Government Business Enterprises. According to Hayfron Adoagye (2012), IPSAS are high quality global financial reporting standards for application by public sector entities other than government business enterprises and being issued by international public sector accounting standard board IPSAS B which is formerly known and called public sector committee. IPSASB's a body of International Federation of Accounting (IFAC) with autonomy to develop and issue IPSAS. In a study conducted by John (2011) he revealed that IPSAS Board comprises of 18 members, out of which 15 are nominated by the member bodies of IFAC while the other three are appointed as public members whom may be appointed by any individual or organization.

International Public Sector Accounting Standards (IPSAS) is at present the focal point of global revolution in government accounting in response to calls for greater government financial accountability and transparency. The Public sector comprises entities or Organizations that implement public policy through the provision of services and the redistribution of income and wealth, with both activities supported mainly by Compulsory tax/levies on other sectors. This comprises governments and all publicly owned, controlled and or publicly funded agencies, enterprises, and other entities of government that deliver public programs, goods, or services. Public Sector Accounting is a system or process which gathers, records, classifies and summarizes as reports the financial events existing in the public or government sector as financial statements and interprets as required by accountability and financial transparency to provide information to information users associated to public institutions. It is interested in the receipts, custody, disbursement and rendering of stewardship of public funds entrusted.

STATEMENT OF THE PROBLEM

The preparation and presentation of financial statement at each level of government have pose series of problems worldwide. Over the years, government accounting has been anchored on cash basis of accounting while private sector accounting has been predicated on accrual basis. Whereas the accrual basis has been working perfectly well in the private sector, the continued application of the cash basis in the public sector appears to have thrown up a number of challenges relating to under-utilization of scarce resources, high degree of vulnerability to manipulation, lack of proper accountability and transparency, inadequate disclosure requirement due to the fact that the cash basis of accounting does not offer a realistic view of financial transaction. IPSAS adoption is expensive in all material respect, so expensive that some experts have contended that it's much advertised benefits do not justify the cost of the implementation predominantly accounting or financial reporting places emphasis on accountability and transparency. Revolution is not only accorded to government functional activities, instead revolution also exists in Government Accounting. Hence IPSAS i.e. international public sector accounting standard is a new revolution in government Accounting.

IPSAS are international Accounting Standard used as guidelines for preparation of public sector financial Statements.

OBJECTIVES OF THE STUDY

The main aim of IPSAS is to enhance the quality of general purpose financial reporting by public sector which would provide better means of assessing the resources allocation by government and also increased transparency and accountability. Since the standard is

believed to be of high quality, it would definitely improve the reporting system in government ministries. According to Aganga (2011) he pose it that the main objectives of IPSAS is to serve the public interest by developing standards and facilitating the convergence of international and national standards which will enhance the quality and uniformity of financial reporting throughout the world.

STATEMENT OF HYPOTHESES

H₀: The adoption of IPSAS will not increase the Level of Accountability and Transparency in Public Sector of Nigeria

H₀: The adoption of IPSAS will not enhance comparability and international best practice in public sector of Nigeria.

LITERATURE REVIEW

The acronym IPSAS means International Public Sector Accounting Standard. IPSAS are international Accounting Standard used as guidelines for the preparation of public sector financial Statements. According to Hayfron Adoagye (2012), IPSAS are high quality global financial reporting standards for application by public sector entities other than government business enterprises and being issued by international public sector accounting standard board (IPSAS B) which is formerly known and called public sector committee.

IPSASB's a body of International Federation of Accounting (IFAC) with autonomy to develop and issue IPSAS. In a study conducted by John (2011) he revealed that IPSAS Board comprises of 18 members, out of which 15 are nominated by the member bodies of IFAC while the other three are appointed as public members, who may be appointed by any individual or organization.

The main aim of IPSAS is to enhance the quality of general purpose financial reporting by public sector which would provide better means of assessing the resources allocation by government and also increased transparency and accountability.

The practice of government sector accounting evolved over the years with focus on cash receipts and disbursements on the cash accounting basis or modified cash accounting basis. Hence, government revenue is only recorded and accounted for when cash is actually received and expenditure is incurred only when cash is paid irrespective of the accounting period in which the benefit is received or the service is rendered. It therefore means that, the amounts incurred by the government in purchasing fixed assets are treated the same way as expenses. They are therefore written off as part of expenditure for the period the costs were incurred Oecon, (2010).

Ngama (2012) noted that the adoption of IPSAS would provide the basis for the establishment of a harmonized budgetary system for the three tiers of government. He further stressed that the era of IPSAS would also enhance the country's eligibility to access economic benefits from donor agencies, private sector, Financial Institutions and Worldwide

Financial Institutions such as the World Bank. Preparing the country's financial statement using IPSAS which is an international standard would definitely encourage investors into the country.

Nongo (2014) is also of the opinion that the adoption of IPSAS in the public sector accounting reporting system would enhance better service delivery in the public sector, support efficient internal control and bring into focus the performances of the agencies. It would also enhance creditability of government financial information and help build confidence of Nigerian citizens and Nigeria development partners both within and abroad.

The adoption of IPSAS would also enhance access of information to the public thereby promoting the aims of freedom of information Act 2011 and facilitating the expression of individuals' opinion on government activities. Adoption of IPSAS at the Local Government would also help to fight corruption which can be easily trace to the local government because of lack of proper accounting system stipulated by the

subcommittee. Comparability of Nigeria Financial Statement with that of other country would be carried out with ease Oulasvirta (2012).

IPSAS ADOPTION IN NIGERIA

Onwubuariri, (2012), reported that the Federal Executive Council of Nigeria in July 2010 approved the adoption of the International Financial Reporting Standards (IFRS), and International Public Sector Accounting Standards (IPSAS), for the private and public sectors.

The adoption is aimed at improving the country's accounting and financial reporting system in consonance with global standards. Consequently, the Federation Account Allocation Committee, (FAAC), in June 2011 set up a sub-committee to work out a roadmap for the adoption of IPSAS in the three tiers of government. However, he noted that some stakeholders believe that the tools and strategies needed to fully implement IPSAS in the three tiers of government in Nigeria are still problematic. He explained that IPSAS is a good development and an international best practice which has been embraced in most developed countries. There is nothing wrong with Nigeria taking queue in making sure that public entities in the country fully adopt IPSAS.

In the words of Hayfron Aboagye (2012), he said that IPSAS board have so far been able to issue thirty two (32) accrual IPSAS and one(1) comprehensive cash IPSAS this is also in line with IPSAS handbook published in March, 2011. According to Nango (2014)- a member of FAAC, noted that the subcommittee has even gone far as reviewing the current book-keeping system, accounting and reporting system and chat of account currently used by the three tiers of government. The committee started their interactive session with the political leaders, key officers in Federal ministries, permanent secretaries state governors, relevant commissioners within the 36 State and Local Governments. This is to enable the committee to obtain information on all aspects of their budgeting. Book – keeping and financial accounting reporting system.

PROSPECTS OF ADOPTION OF IPSAS IN NIGERIA

In an attempt to join the on-going vehicle of global standard in the public Sector and to enjoy the benefits of the standard, the Federal Executive Council (FEC) in July 2010 approved the adoption of the International Public Sector Accounting Standard (IPSAS) for the public entities in Nigeria. Ngama (2012) opines that the implementation of IPSAS in Nigeria would promote a peer – review mechanism of financial reports among the three tiers of government. He further stresses that the adoption of IPSAS will serve as foundation for the preparation of quality financial statements and adequate reporting system in Nigeria Public Sector. Ngama (2012) also reported that the adoption of IPSAS would provide the basis for the establishment of a harmonized budgetary system for the three tiers of government. He added that the era of IPSAS would also enhance the country's eligibility to access economic benefits from donor agencies, private sector, Financial Institutions and

Worldwide Financial Institutions such as the World Bank. The preparation of the country's financial statement using IPSAS will definitely encourage investors into the country. Furthermore, it would also expose the in-house corrupt practice of some of the public officers thereby deterring them from such act. Nongo (2014) documented that the adoption of IPSAS in the public sector accounting reporting system will enhance better service delivery in the public sector, support efficient internal control and bring into focus the performances of the agencies. It will also enhance creditability of government financial information and help build confidence of Nigerian citizens and Nigeria development partners both within and abroad. The adoption of IPSAS would also enhance access of information to the public thereby promoting of freedom of information Act 2011 and facilitating the expression of individuals' opinion on government activities. Adoption of IPSAS at the Local Government will also help to fight corruption at the local government level that cause by of lack proper accounting system

CHALLENGES FACING THE ADOPTION OF IPSAS IN NIGERIA

Nigeria like developed countries and other developing countries is expected to adopt the international public sector Accounting Standards (IPSAS). Adopting the standard will be good for Nigeria state because it will help to improve her accounting and financial reporting system to international accepted standards (Ojiakor .N, 2012). To this effect federal executive council in July 2010 gave full approval for the adoption of IPSAS for the public sector and pronounced that for the all government agencies at all level (federal, state or local government) are expected to adopt IPSAS expected by 2013. The institute of chartered Accountants of Nigeria along with other non-governmental organizations also endorse the Adoption of IPSAS by Nigerian public sector as a basis for financial reporting because of the transparency and accountability element in the reporting system. Nigeria was supposed to adopt the first part of the standard, which is the cash basis in 2013 but this was not possible due to some inherent challenges of IPSAS Adoption. Though adopting the cash basis is not an easy task, no country in the world can boast full adoption of the cash basis because it entails production of consolidated financial statement for all controlled entities, ministries and Parastatals. For this reason many countries started the adoption of IPSAS with the accrual basis first to taste the waters. For Nigeria, the adoption date of the cash basis is was shifted to 2014 and all hands are on desk trying to meet up with the adoption this year. The accrual basis will be adopted in 2016. The sub-committees to work out the modalities for the adoption of IPSAS by the three tiers of Government have been organising workshop, field trips and seminars on IPSAS in all the six – geo political zones of the country to ensure its reality. According to Nango (2014) the subcommittee has gone far in reviewing the current book-keeping system, accounting and reporting system and chat of account currently used by the three tiers of government. The committee started its interactive session with the political leaders, key officers in Federal ministries, permanent secretaries state governors, relevant commissioners within the 36 State and Local Governments. This is to enable the committee to obtain information on all aspects of their budgeting. Book – keeping and financial accounting reporting system. In other to enhance effective adoption and implementation of IPSAS in Nigeria the Sub-Committee of FAAC have developed the following for all government – establishments in Nigeria. Uniform National Chart of Account and User manual for the chat, uniform accounting policies and uniform budget templates that align with IPSAS cash basis format of general purpose financial statements for both cash accrual basis of IPSAS.

However, all efforts put in for adoption of IPSAS in the Nigeria public sectors have yielded no success due to some apparent challenges. It was due to these challenges of course that January 2013 being the target date for IPSAS adoption in Nigeria was a reality and led to the extension of adoption date to January, 2016 for accrual basis IPSAS and 2014 for the cash basis. The Nigeria public sector is also characterized by high level of reluctance in accepting changes especially on financial matters because of the corrupt attitudes some senior officers in this sector. Furthermore, the cost of implementing the standard is enormous and will involve lot money for training personnel, writing of new accounting manuals, installation of adequate information and communication technology software for the program. Federal, State and Local government. Another major challenge- is the fact Nigerian economics system is very porous and it incapable of holding local accounting standard let alone an international standard that will expose all activities to world. Also the constitution need to be amended for it embrace the new standard or the standard needed for the preparation of public sector financial statement (Ngama .Y, 2012). In Nigeria, the amendment of our constitution is always a long process and time consuming. At present there is grossly inadequate staff in the various government establishments to handle the implementation of IPSAS (Adem .R. A, 2010). John (2011) documents that adoption of IPSAS in Nigeria face so major challenges as follows; First, resistance from officers. It is obvious that not all government administrative machineries such as ministries, parastatals and extra – ministerial departments are supporting IPSAS adoption in Nigeria. Without any doubt, this resistance is due fact that IPSAS will help to unravel all forms of financial malpractices existing in the public sector, hence has become a treat to these stakeholder in the public sectors.

Second, the use of common languages to bring across culture and government in the public sector remains a key challenge. Some terminologies used in IPSAS may not be applicable some to countries' financial

reporting system due to their uniqueness. This however calls for thorough GAAP analysis.

Third, as part of the effort toward IPSAS adoption, accounting manual need to written to be able to incorporate IPSAS terminologies and other finance officers in the public sector need to be educated and trained on the application of IPSAS. All these cost good amount of money which may not be readily available or where available but mix-applied by public officers. Finally, insufficient number of qualified accountants in the Nigerian public sector. Most of the state and federal ministries and government agencies lack the necessary accounting personnel to adequately carryout the switch over to IPSAS as opposed to the financial reporting frame work currently in existence

RESEARCH METHODOLOGY

The research methodology for the purpose of this study is the procedures and systems adopted in collecting data and their subsequent analysis so as to attain the desired goals and objectives of providing useful information through the suggestions given by the respondents with a view of evaluating and appraising the adoption of International Public Sector Accounting Standard (IPSAS) on financial reporting quality.

Population of the Study

The population for this research is the entire public sector of Nigeria covering government ministries, parastatals, departments, and agencies of Ekiti State Accountant General’s Office.

Sample and Sampling Procedures

Random sampling procedures were to select the sample size. The sample size comprises of 60 staff of the Ekiti State Accountant General’s Office.

METHOD OF DATA COLLECTION

In order to gain access to useful information with respect to this paper work, the following are the sources of information;

- (a)The use of Questionnaire; (b) Information from internet browsing (c)The use of library

Table 1: Adoption of IPSAS will increase the Level of Accountability and Transparency in Public Sector of Nigeria

	Strongly agree	Agree	Undecided	Strongly disagree	Disagree	Total
Frequency	31	8	1	0	0	40
Percentage	77.5	20	2.5	0	0	100

Source: Field Survey 2016

From the above table, 31 persons strongly agreed, 8 agreed, 1 was undecided, none strongly disagreed and none disagreed. Hence, 77.5% of the respondents strongly agreed, 20% agreed that adoption of IPSAS will increase the level of accountability and transparency in public sector of Nigeria, 0% strongly disagreed, 0% disagreed with the notion while 2.5 were undecided.

This shows that it is proven that adoption of IPSAS will increase the level of

accountability and transparency in the public sector of Nigeria.

Table 2: The adoption of IPSAS will enhance comparability and international best practice

	Strongly agree	Agree	Undecided	Strongly disagree	Disagree	Total
Frequency	5	22	4	3	6	40
Percentage	12.5	55	10	7.5	15	100

Source: Field Survey 2016.

From the above table, 12.5% strongly agreed, 55% agreed, 10 were undecided, while 7.5% strongly disagreed and 15% of the respondents disagreed that the adoption of IPSAS will enhance comparability and international best practices.

Table 3: The effect of IPSAS in the public sector of Nigeria will be positive

	Strongly agree	Agree	Undecided	Strongly disagree	Disagree	Total
Frequency	16	23	0	1	0	40
Percentage	40	57.5	0	2.5	0	100

Source: Field Survey 2016

From the above table, 40% strongly agreed, 57.5% agreed, 0% was undecided, 2.5% strongly disagreed and 0% disagreed that the effect of IPSAS in the public sector of Nigeria will be positive.

Table 4: IPSAS adoption is expensive in all material respect, so expensive that some experts have contended that it's much advertised benefits do not justify the cost of the implementation

	Strongly agree	Agree	Undecided	Strongly disagree	Disagree	Total
Frequency	10	3	8	16	3	40
Percentage	25	7.5	20	40	7.5	100

Source: Field Survey 2016

From the above table, 25% strongly agreed, 7.5% agreed, 20% were undecided, 40% strongly disagreed while 7.5% disagreed that IPSAS adoption is expensive in all material respect, so expensive that some experts have contended that it's much advertised benefits do not justify the cost of the implementation.

Table 5: There is grave need for increased uniformity in the standards guiding financial statements

	Strongly agree	Agree	Undecided	Strongly disagree	Disagree	Total
Frequency	21	2	7	3	7	40
Percentage	52.5	5	17.5	7.5	17.5	100

Source: Field Survey 2016

From the table above, 52.5% strongly agreed, 5% agreed, 17.5% was undecided, 7.5% strongly disagreed whereas 17.5% disagreed with the notion that, there is grave need for increased uniformity in the standards guiding financial statements.

Table 6: Uniformity in the financial statement would make it comprehensible and convene the same information to users across the world.

	Strongly agree	Agree	Undecided	Strongly disagree	Disagree	Total
Frequency	22	7	9	0	2	40
Percentage	55	17.5	22.5	0	5	100

Source: Field Survey 2016

From the table above, 55% strongly agreed, 17.5% agreed, 22.5 were undecided, 0% strongly disagreed while 5% of the respondents disagreed with the notion that uniformity in, the financial statement would make it comprehensible and convene the same information to users across the world.

Analysis of Data

Level of significance used in obtaining X_T is 5%. Given that the degree of freedom is n-1 where n=5. Therefore the degree of freedom is $5-1=4$.

X^2 from the statistics table = 9.488 at 0.05 level of significance.

HYPOTHESIS TESTING

H₀: The adoption of IPSAS will not increase the Level of Accountability and Transparency in Public Sector of Nigeria

Hypothesis 1

Observed Frequency=5

Expected frequency=40/5=8

Observation	Observed Frequency	Expected Frequency
Strongly Agreed	31	8
Agreed	8	8
Undecided	1	8
Strongly Disagreed	0	8
Disagreed	0	8

Source: Field Survey 2016

$$X^2_{\text{Cal}} = \frac{(O_1 - E_1)^2}{E_1}$$

Where X^2 = Value of Chi-Square symbol

O_1 = Value of the observed frequency

E_1 = Value of the expected frequency

Computational table for Chi-Square Test Statistics

Observation	O_1	E_1	$(O_1 - E_1)^2$	$\frac{(O_1 - E_1)^2}{E_1}$
Strongly Agreed	31	8	529	66.125
Agreed	8	8	0	0
Undecided	1	8	49	6.125
Strongly Disagreed	0	8	64	8
Disagreed	0	8	64	8
Total	40			88.25

Source: Field Survey 2016

SIGNIFICANT LEVEL:

Denoted as $\alpha = 0.05$

$$X^2_{0.05} (K-1) \text{ Where } K= 5$$

$$X^2_{0.05} (5-1)$$

$$= X^2_{0.05}$$

$$(4) =9.488$$

DECISION RULE:

Reject H_0 if $X^2_{cal} > X^2_{tab}$.e. Reject H_0 if Chi-Square Calculated 88.25 is greater than Chi-Square Tabulated 9.488.

DECISION:

Since X^2_{cal} 88.25 is greater than X^2_{tab} , 9.488reject H_0 .

CONCLUSION:

Since the X^2 calculated of 88.25 is greater than the critical X^2 tabulated value which is 9.488, Chi-Square is significant. Therefore, null hypothesis H_0 is rejected. Thus, adoption of IPSAS will increase the Level of Accountability and Transparency in Public Sector of Nigeria.

Hypothesis 2

H_0 : The adoption of IPSAS will not enhance comparability and international best practice in public sector of Nigeria.

Observed Frequency =5

Expected Frequency =40/5=8

Observation	Observed Frequency	Expected Frequency
Strongly Agreed	5	8
Agreed	22	8
Undecided	4	8
Strongly Disagreed	3	8
Disagreed	6	8

Source: Field Survey 2016

$$X^2 \text{ cal} = (O_1 - E_1)$$

E_1

Where X^2 = Value of Chi-Square Symbol

O_1 = Value of Observed Frequency

E_1 = Value of Expected Frequency

Computational Table For Chi-Square Test Statistics

Observation	O_1	E_1	$(O_1 - E_1)^2$	$\frac{(O_1 - E_1)^2}{E_1}$
Strongly agreed	5	8	9	1.125
Agreed	22	8	196	24.5
Undecided	4	8	16	2
Strongly Disagreed	3	8	25	3.125
Disagreed	6	8	4	0.5
Total	40			31.25

Source: Field Survey 2016

SIGNIFICANT LEVEL:

Donated as $\alpha = 0.05$

$X^2_{0.05(K-1)}$ Where $K=5$

$X^2_{0.05(5-1)}$

$= X^2_{0.05(4)} = 9.488$

DECISION RULE:

Reject H_0 if $X^2_{cal} > X^2_{tab}$ i.e. Reject H_0 if Chi Square Calculate 31.25 is greater than Chi-Square Tabulate 9.488.

DECISION:

Since X^2_{Cal} 31.25 is greater than X^2_{tab} 9.488 reject H_0

CONCLUSION:

Since the X^2 calculated of 31.25 is greater than the critical X^2 tabulated value which is 9.488, Chi-Square is significant. Therefore, null hypothesis is rejected. Thus, adoption of IPSAS will enhance comparability and international best practice in public sector of Nigeria.

DISCUSSION OF FINDINGS

The adoption of IPSAS will increase the Level of Accountability and transparency in Public Sector of Nigeria. The adoption of IPSAS will enhance comparability and international best practice, which is a positive effect in the public sector.

There is grave need for increased uniformity in the standards guiding financial statements. Uniformity in the financial statement would make it comprehensible and convene the same information to users across the world.

As a result of greater accountability and transparency, adoption of IPSAS will improve Value for Money (VFM) expenditure.

SUMMARY

This study has shown that the adoption and implementation of IPSAS on financial reporting quality in Nigeria public sector will help in the harmonization of financial operations and uniformity in the reporting of public sector accounting information and disclosure. The study also revealed at a glance that IPSAS adoption will help to ensure better financial information disclosure and supports, improvement to accountability, transparency better financial management, better information to donor and countries providing external assistance, better quality and credibility of financial report.

CONCLUSION

This study examined the expectations and benefits of adoption of International Public Sector Accounting Standards on financial reporting quality in Nigeria public sector. Nigeria is expected to adopt the International Public Sector Accounting Standards in 2014. Sequel to Nigeria's implementation and adoption of this accounting standard, the present study examined possible benefits of adopting the system.

From the findings of the study, it was observed that adoption of IPSAS is expected to increase the level of accountability and transparency in public sector of Nigeria. It was found that the adoption of IPSAS will enhance comparability and international best practices. Also, it was denoted that adoption of IPSAS based standards will enable the provision of more meaningful information for decision makers and improve the quality of financial reporting system in Nigeria.

In addition, it was denoted that adoption of IPSAS by Nigerian government will improve comparability of financial information reported by public sector entities in Nigeria and around the world. Hence, we conclude that the adoption of IPSAS in Nigeria is expected to impact operating procedures, reporting practices and hence strengthen good governance and relations with the government and the governed.

RECOMMENDATION

In essence, from the result and findings of the present study, the researcher recommends:

- that government should engage professionals to drive the process and also involve external professionals to leverage best practices;
- due to the challenges of availability of electricity and internet services especially in the rural areas hosting majority of local governments, we recommend for a start and centralization of the operations in terms of record keeping at the state capitals;
- Finally, since the benefits of IPSAS adoption cannot be quantified as argued in the present study, the researcher recommends the adoption of International Public Sector Accounting Standards in

Nigeria.

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