



NIGERIAN JOURNAL OF ACCOUNTING RESEARCH

**A Publication of The Department of Accounting,
Ahmadu Bello University, Zaria-Nigeria**

Vol. 12, Number 1, June, 2016

<https://njar.org.ng/>

IMPLEMENTATION OF CASH BASIS IPSAS IN NIGERIA: CHALLENGES AND PROSPECTS

Ahmad Aliyu Abdullahi

Department of Accounting, Ahmadu Bello University, Zaria

Ahmed Bello

Department of Accounting, Ahmadu Bello University, Zaria

Shehu Hassan Usman

Department of Accounting, Kaduna State University, Kaduna

Abstract

Since Nigeria's independence, Public Sector Accounting also called Government Accounting has been operated based on Cash Accounting and Private Sector Accounting has been predicated on Accrual Basis. Whereas the Accrual Basis of Accounting has been working well in the private Sector, the continued application of the Cash Basis in the Public Sector appears to have thrown up a number of problems, the main ones being non-accountability and transparency, inefficiency and ineffectiveness on the management of public resources as well as unreliable records of government financial transactions. Additional accounting challenges had also arisen due to a lack of international standardization of the cash basis reporting practices. These have led to the pursuit of both remedies and alternatives to the cash basis system of public sector accounting. As a first step, the IPSAS have been adopted in Nigeria. Against this background, it is the objective of this study to examine the viability of the deadline, the key challenges and prospects of IPSAS adoption in Nigeria. A survey of accountants, internal auditors and budget officers of federal

government parastatals in Zaria metropolis was conducted to collect data on perceptions of challenges and prospects of IPSAS adoption in Nigeria. The population of the study comprised all the 24 federal government parastatals in Zaria metropolis. The sample size was 10 parastatals drawn using filters. Data collected was obtained from primary source through the use of Questionnaire, and secondary sources such as, Reports and Textbooks, Journals and magazines. Frequency distribution tables and simple percentages were employed as the methods of data analysis. The study found that, the major challenges facing the adoption of IPSAS in Nigeria are lack of adequate funding, lack of adequate and skilled manpower, lack of training and retraining of staff and the level of technology is not adequate. The study recommends that, Nigerian Government should put in place all the necessary facilities, make adequate provision in the annual estimate, intensified capacity building and training/retraining of wider spectrum for all financial officers, and provide robust and integrated ICT framework for IPSAS adoption and implementation.

Keywords: *IPSAS Adoption, Parastatals, Nigerian Government and FAAC*

1.1 Introduction

As the world moves towards strengthening mechanisms to enhance economic growth of nations and check corruption as well as other unwholesome financial impropriety, many countries are fast embracing approaches geared towards uniformity in government accounting records. One of such reform initiatives catching the attention of the world is the International Public Sector Accounting Standards (IPSAS) which experts believe has assisted a great deal in addressing the glaring inconsistencies in the management of government resources and to some extent the usual fiscal opacity prevalent in many developing countries.

Nigeria is not left out in the league of countries that have adopted and or are in the process of adopting this well designed globally accepted accounting system as part of the reforms to enhance speedy economic growth (Yerima, 2012). The decision to adopt, apply or implement the provisions of IPSAS was made by the Federal Executive Council (FEC) at its meeting on 28th July, 2010. To supplement this decision, the Federation Accounts Allocation Committee (FAAC) at its meeting held on 13th June, 2011 set up a sub-committee to provide a Roadmap for the implementation of IPSAS in the three tiers of Government in Nigeria. The sub-committee set a deadline for the adoption of Cash base and Accrual base IPSAS by 2014 and 2016 respectively. Nigeria is currently in the process of adopting the cash-basis IPSAS and plans to implement accrual-based IPSAS by

January, 2016. The implementation of Cash-basis IPSAS' first allowed the preparations for accrual-based IPSAS to be properly made (Nongo, 2014).

Prior to the decision to implement the provisions of IPSAS in Nigeria, the Public Sector Accounting System has been on a Cash-Based accounting system. The system was criticized on the ground of its weaknesses. The weaknesses border on non-accountability and transparency, inefficiency and ineffectiveness in the management of public resources as well as unreliable records of expenditure and receipts. Besides, many writers have identified that deficiency in the accounting systems largely accounts for the weakness in the management of the Public Sector of most developing countries (Blondal, 1988; Dean, 1988, 1989 and Craner & Jones, 1990). The deficiency in Public Sector Accounting and Financial Management is seen as a characteristic of socio-economic underdevelopment (Craner & Jones, 1990). In addition to the above accounting challenges that stem from the use of cash-based accounting systems by many countries of the world, there is also a historical lack of standardized international reporting policies which hampers the issue of comparability and consistency between accounts of different jurisdictions. It is imperative to say that, without a widely accepted set of rules, definitions and guidelines, financial reporting data cannot be accurately compared among organizations/countries around the world.

The recurring questions related to the adoption of IPSAS in Nigeria are: Are the deadlines for the adoption of Cash Basis IPSAS in 2014 and Accrual Basis IPSAS in 2016 realistic? What are the key challenges associated with the implementation or that lie ahead? And what are the prospects of implementing IPSAS in Nigeria? The objective of this paper is to examine: the viability of the deadline set for the adoption of IPSAS, the challenges being encountered which hindered the smooth and successful implementation of the phase one of IPSAS (that is, Cash Basis IPSAS) and the prospects of IPSAS adoption in Nigeria. To achieve the objectives, the paper relies on both primary and secondary sources of data.

The rest of the paper is organized into 4 sections. Section 2 is on the literature review. Section 3 is for methodology adopted for the study. Section 4 presents the result and discussion of finding. Section 5 is for conclusions and recommendations on the Paper.

2.1 Literature Review and Theoretical Framework

The term Public Sector has been used to mean the public service, civil service or government sector. Regardless of the terminology adopted, the scope is essentially the same. The International Federation of Accountants Committee, IFAC (1996), defines Public Sector to mean national government, regional or state government, local government and related government entities such as agencies, boards, commissions and enterprises. Impliedly, this definition conceives Public Sector to mean all organizations not privately owned which are operated or established by government on behalf of the public. These include Federal departments, State Government departments, Local Government Authorities, nationalized industries, agencies and parastatals and other public bodies.

However, in defining Public Sector Accounting which can otherwise be referred to as Government Accounting, many writers such as Oshisami & Dean (1992); Adams (2002); Umar (2003) and Aliyu (2007) seem to concur (except in few cases of emphasis) with the United Nation Development Programme's (UNDP) definition. It defines Public Sector Accounting as the process of recording, adjusting, clarifying, summarizing, communicating and interpreting financial information about government in aggregate and in detail, reflecting all transactions involving the receipts, transfer and disposition of government funds and properties. The essence of this process is to demonstrate propriety of transactions and their conformity with established rules, to give evidence of accountability for the stewardship of government resources and to provide useful information for the good control and effective management operations (UNDP: 1997). Chan (2006) summarizes the above definitions of Government Accounting to refer to "a government's financial information system and financial disclosure practices and its state of development results from the interaction between the supply of and demand for government financial accountability and transparency." Hence the main objective of Government Accounting is to serve as a basic aid to government in prosecuting its business economically, efficiently and effectively and enhance Responsibility Accounting within the Public Sector. Also in another write up, Chan (2003) sums up the three main purposes of government accounting: to safeguard the public treasury, to facilitate sound financial management and to help government discharge its public accountability.

Accounting standards establish guidelines on how particular types of economic transactions and events should be reported in the financial statements of an organization. They set "ground rules" for the recognition, measurement, presentation and disclosure of the elements that are presented on the face of the

financial statements and information disclosed in the notes to the financial statements. Colin (2007), define accounting standard as an authoritative statement of how particular types of transaction and other events should be reflected in financial statement. Also in the word of Mainoma & Adejola (2010), “Reporting standards are policy documents or written statements issued from time to time by an apex expert accounting body or institution in relation to various aspects of measurement, treatment and disclosure of accounting transactions and events for ensuring uniformity in accounting practices and reporting”. They are rules of professional conduct, which professional accountants are expected and mandated to comply with while preparing and presenting financial statements. The adoption of accounting standards is a critical decision since accounting standards prescribe what information is to be collected as well as how it is to be recognized and measured for presentation in the financial statements.

International Public Sector Accounting Standards (IPSAS) the new accounting and reporting systems are a set of high quality, independently developed accounting standards aimed at meeting the financial reporting needs of the Public Sector. However, according to IPSASB (2008 a & b), IPSAS are high quality global financial reporting standards for the application by Public Sector entities other than Government Business Enterprises (GBEs).

IPSAS like any other international standard sets out recognition, measurement, presentation, and disclosure requirements dealing with transactions and events in the general purpose financial statements of public entities. IPSAS are public sector accounting standards of choice for many countries around the world. They are tailored to specific transactions of public entities and non profit organizations and are only international accounting standards applicable to both sectors. Reporting requirements stipulated by IPSAS though exhaustive and prescriptive, are intended to leave enough room for professional consultation so as to ensure that the information provided truly reflects the financial position of the Organization. The adoption of accounting standards is a critical decision since accounting standards prescribe what information is to be collected as well as how it is to be recognized and measured for presentation in the financial statements

The implementation of IPSAS would require a migration from the current accounting system (Cash) to accrual accounting. IPSAS provide a shift in focus from cash inputs, to outputs and outcomes, and thereby stimulate better management efficiencies. The transition seeks to facilitate the availability of accurate and more comprehensive information and the rendering of quality

services, improved internal controls, increased transparency, and consistency and comparability of financial statements

Substantial changes have occurred in the public sector around the world during the last decades. These changes, collectively referred to as New Public Management (NPM), are propagated as a major driving force for globalization in the public sector. NPM reforms emphasize new management practices through privatization, commercialization, decentralization, and output orientation, amongst other things (Connolly & Hyndman, 2006). Accounting change from the traditional cash basis to business –style accrual is perhaps the most widely discussed NPM reform, at least in the context of developing countries, drawing a great deal of arguments both in support and against this trend (Carlin, 2005). Moreover, the case of Organization for Economic Cooperation and Development (OECD) member countries shows that the availability of multiple standards, including International Financial Reporting Standards (IFRSs), IPSASs, and statistical models have led to further challenges in the implementation and harmonization of accrual accounting (Garseth-Nesbakk & Adhikari, 2009).

Although there are growing about public expenditure management reforms, the change in the accounting system from cash to accrual has not yet been elevated on top of the public sector reform agenda in the majority of the developing countries. Instead, the accounting system in the majority of the developing countries is based either on the cash basis or the modified-cash basis and much attention has therefore been given to improvements in the existing accounting standards and procedures. IPSASs, particularly the cash basis IPSAS issued in 2003 and updated with the inclusion of additional requirements for the presentation of budget information in 2006 and the disclosure of external assistance information in 2007 are envisaged as a means of increasing the performance of accounting so as to reflect the internationally agreed minimum benchmarks of best practice in accounting and reporting (Subramanian, 2007; Sutcliffe, 2009).

The study delineates that the cash basis IPSAS, particularly the first part of the cash basis IPSAS. has drawn a great deal of attention while initiating public sector accounting reforms in the developing countries, albeit very few countries have adopted the standards in all material aspects (Chan, 2005; Sutcliffe, 2009; Parry & Wynne, 2009). The study of the adoption of IPSASs in South Asia conducted by Adhikari & Mellembvik (2010) does provide one example. The study demonstrates that despite all countries in the region have expressed their interest towards cash reporting and have also agreed to achieve converge their standards with the cash

basis IPSAS, each country has in fact been attempting to translate the IPSAS ideas in its own way so as to ensure compliance with specific local requirements (Adhikari & Mellemvik, 2010). This reality has also been acknowledged by the IPSASB's task force established to make recommendations on any modifications or additional guidance that should be considered with regard to the cash basis IPSAS (Sutcliffe, 2009).

Broadly speaking, the popularity of the cash basis IPSAS in the context of developing countries can be explained on at least three grounds. Firstly, international financial institutions such as World Bank, the African Development Bank, and the Asian Development Bank, amongst others, which provides aid, grants and loan to developing nations have recommended the use of IPSASs as part of improvements in governance (Torres, 2004; Chan, 2005). This support of international organizations to IPSASs is underpinned by the fact that many of these international financial institutions are the main sponsors of the IPSASB's projects. Second, the IPSASs are being acknowledged by the accounting profession as the best government accounting alternatives for developing nations lacking internationally approved regulations and standards (Chan, 2005). The third factor is linked to the rise of globalization, as well as the increasing concerns with public sector accounting harmonization at a global level. Government activities in recent years are no longer confined to specific jurisdictions, as an increasing number of sovereign governments now raise, borrow, control, consume, and redistribute resources in international markets (Sutcliffe, 2003). The adoption of IPSASs particularly part 1 of the cash basis IPSAS, has therefore become important for many developing countries in order to raise the quality of financial information reported to external users and reap the benefits of economic globalization.

Moreover, there is also evidence showing that the cash basis IPSAS is being promoted to developing countries as a means of elevating their accounting capacity and competence needed for the adoption of accrual accounting in the long run. There is a myth, at least in South Asia, that the accrual basis of accounting cannot be implemented successfully without first complying with cash basis IPSAS (Adhikari & Mellemvik, 2010). Indeed, it is worth mentioning that not everybody agrees with regards to the perspective that cash basis IPSAS should be a top priority for developing countries attempting to reform their public sector accounting. Chan (2005) argues that a simpler form of accrual accounting, disclosing at least current fiscal resources and current liabilities is crucial for developing countries to discharge accountability to a wider group of stakeholders.

The Economic Commission for Africa (ECA, 2003), has in its study also indicated that those countries in Africa, which have already adopted accrual accounting, are at the forefront of public management reforms. Similarly, Parry & Wynne (2009) argue that several concepts applied in the cash basis IPSAS, including the notion of control, consolidating financial information, third-party payment, amongst other things, have created challenges for the implementation of the cash basis IPSAS in the developing world.

It should be noted that the primary goal of reform is to boost efficiency, effectiveness, transparency, and accountability in public service delivery and resource management. In times of reform, changes lead to issues and problems. During a transition process of systems, implementation problems occur. These problems require tackling and proper handling. However, in some cases, instead of solving problems, issues can be prevented, by avoiding the problems. Experiences of other countries, having already implemented accrual accounting, can be considered as very helpful. They can act as a benchmark. Pitfalls during the implementation phase can be tried to be avoided or altered in such a manner that problems can be considered as being diverted and solved. In New Zealand, according to Champoux (2006), three major pitfalls occurred. First, due to too much autonomy of departments, too little cooperation among departments, and a lack of supervision of a general government body, multiple accounting systems were created. Departments developed their own systems, resulting in multiple systems, which could not cooperate together with systems of other departments. Secondly, during the implementation, consultants were hired to support the reforms, however due to lack of unity, department hired their own consultants. The result was that the hiring of extra consultants was very expensive. Third, New Zealand tried to implement business accounting standards which caused problems. Business accounting standards are created for the purpose of a business in the private sector. They are not suitable for the public sector, because they are not sufficient. In the public sector other areas require different coverage of other accounting standards.

In another study, Van der Hoek (2005) established that the early adopters of business accrual accounting faced various problems during the implementation and adoption process. Two pioneers of accrual accounting are New Zealand and Australia are countries that have adopted and implemented accrual accounting fully in their governments. According to him, there are basically four adaptations of the accounting system. The International Organisation of Supreme Audit Institutions (INTOSAI) recognizes four financial reporting systems in its 1995

Accounting Standard Framework (ASF), namely Full cash accounting, Modified cash accounting, Modified accrual accounting, and full accrual accounting. As mentioned above disadvantages of the accrual accounting system are difficulties that arise during the implementation process. Among these difficulties, an important obstacle of adopting accrual accounting is miscommunication, which creates conflicts and confusion among government officials. Different interests among stake holders can be observed as having influence on this obstacle (Barton, 2011). Another fact that leads to miscommunication is the implementation of several different standards or systems. In the transition process of Australia, the Australian government used two different budgeting systems, resulting in confusion, due to the fact that the two budgeting systems produced two different sorts of results (Barton, 2011). While in New Zealand, it was observed that, the level of difficulties of the implementation and adoption of accrual accounting could be attributed to the following; government structure, size of government, complexity of the society, Gross Domestic Product (GDP) and percentage of taxes of GDP (CIA Factbook). All policy makers and politicians must have financial background and be aware of financial problems and issues. This can only be possible by acquiring extra financial training and education.

According to Carlin (2005), several governments who have adopted accrual accounting based reporting system, show the advantages of the implementation of this system. Despite this fact, the majority of governments in the world have not or only partially adopted accrual based systems (OECD, 2002). Although, especially the majority of the central governments still use the cash based accounting and financial reporting systems, there is on-going shift towards accrual accounting in the world. Cash as well as accrual accounting systems have pros and cons, however the discussion on which system is better and which system should be implemented is largely passé (Carlin, 2005). Main arguments in favour of adoption of accrual accounting in the public sector, are transparency and cost allocation it should provide and also better performance is possible (Christiaens and Rommel, 2008). According to the report of Smullen (2009), several advantages can be derived from the adoption of accrual accounting of which greater transparency and greater promotion of efficiency and accountability are the main arguments. Also accrual based systems tend to give a more complete picture of the financial position of the government. Again based on the financial output, decisions of government can be justified. Guthrie (1998) argues that accrual accounting promotes accountability, both on resources and on the effects of today's decisions and the consequences in the future; regarding the costs and usage of resources. Another argument is the promotion of the overall efficiency of

the government policy and government as a whole. Also, the performance of the government should easily be measured in terms of time. Arguments against adopting accrual based accounting are mainly based on implementation difficulties and costs.

Also, in a similar study conducted in Kenya by Hamidi (2014), it was established that failure to tackle specific accounting issues, lack of adoption of information technology, lack of international financial support significantly affected implementation of IPSASs in the public sector in Kenya.

The adoption of accrual basis of accounting in the public sector involves changes in information technology or the introduction of new technology, cultural changes, considerable investment in information systems, and the development of appropriate skills for preparers and users (Land & Rocher, 2011). The OECD (1993), warns that the introduction of such a system entails substantial investment and demands a change in management culture of public agencies in terms of understanding how to use additional information, understanding the potential benefits provided by the new system, accepting of the system's validity, and committing to making the shift to the new system.

Obtaining consistent evidence about the results of the adoption of accrual basis accounting in the public sector is difficult due to a lack of information about long term effects (Pallot, 2001). The available literature, which highlights a priori the benefits of using the accrual basis of accounting for public sector, also suggests that there have been both positive and negative impacts. Carlin (2003) identified four main streams of questioning for the adoption of accrual basis of accounting: (a) convenience, (b) motivation, (c) manner and management of implementation, and (d) the ability of the new system to improve financial management and performance in the public sector.

Also in an empirical study of the relationship between the adoption of IPSAS by governments and perceived levels of corruption, Atuilik (2013), uses corruption perception index compiled by Transparency International to established that, levels of perceptions of corruption in developed countries that have announced the adoption of IPSAS do not differ significantly with the levels of perceived corruption for developed countries that have not announced the adoption of IPSAS; however, perceptions of corruption differ significantly between developing countries that have announced IPSAS adoption and developing countries that have not adopted IPSAS.

Hyndman and Connolly (2011) examined existing international studies to identify difficulties in changing from cash to accrual basis procedures in public sector accounting. This research revealed a number of theoretical and practical difficulties in implementing accrual basis accounting, with a lack of political will being one of the main difficulties. The study also found that the information generated by accrual basis accounting is often misused or simply not considered in decision making by public managers.

In Italy, it was found that the application of IPSAS, depends on specific law provisions at all institutional levels, redefinition of the accounting system, the design of the processes/procedures, rethinking of the organizational aspects, definition of a managerial development, training model with the view to developing adequate skills and harmonizing professional competence and personnel behaviors. It was further observed that the adoption of new comprehensive accounting standards is likely to allow the consolidation and monitoring of accounts (Nasi & Steccolini, 2008).

2.2 Key Challenges of Adopting IPSAS in Nigeria

The adoption of IPSAS is time and money consuming; complex and involved a comprehensive change management process; while it offers numerous benefits over the medium and long terms, it also entails short term costs and challenges that need to be seriously addressed (Chan, 2010). From the above, it can be deduced that the adoption of IPSAS can be viewed as a Herculean task owing to the fact that several challenges are often encountered or to be encountered in the cause of implementation. These challenges are not peculiar to Nigeria but are common in most countries that are in the process of adopting the global standard, although there are some unique challenges that are specific to particular countries (John, 2011). For instance Nongo (2014) noted that one of the toughest challenges is inadequate information and communication technology (ICT) to drive the program at the Federal level, while at the State levels, some states still need to put the systems and software technology in place to drive IPSAS adoption. He added that the greatest ICT challenges are being faced by Local government councils where Information Technology Penetration is still low. He further stated that change management and the resistance to change are another challenges. Other significant challenges identified so far include: (a) achieving a strong combination of staffing and skills throughout the government; (b) bringing the relevant enabling legislature at the state level in line with the requirements of IPSAS; (c) reviewing and updating the relevant accounting and procedure manuals; (d) the

training and re-training of accounting personnel; and (e) sustaining the pace of the program to achieve full implementation.

In addition to the above challenges identified by Nongo (2014), Ijeoma and Oghoghomeh (2014) also observed that Nigeria's migration to the accrual basis of accounting will definitely not come without challenges, which they put in their own word as the "expected challenges". According to them, these challenges includes (a) systematic identification and valuation of assets and liabilities as at the date from which accrual accounting is to commence; (b) lack of adequate technical resources; (c) political ownership/will such as inadequate support at highest levels of the executive; and (d) consolidation issue. Also Bello (2013) opined that the challenges for adopting IPSAS in Nigeria are like other developing countries this concurs with the earlier statement made. He says these challenges can be broadly divided into two; viz general and specific challenges. He further noted that the general challenges should receive more attention because they are the ones that are inherent to the IPSAS themselves while specific challenges are peculiar to Nigeria as a polity and ranges from Institutional, Organizational, Political, Principle, Conceptual and Professional challenges.

From the above, one can say that migration to Accrual Basis of Accounting come 2016 will not be without Challenges. These Challenges include: Corruption, which I consider to be our serious challenge/problem to IPSAS adoption in Nigeria (because corruption is no doubt, the single most important cause of waste and inefficiency in the Nigeria's public sector), the level of education and experience, level of awareness, weak enforcement and compliance mechanism, and inadequate Private Sector participation are also instruments to the successful implementation of process.

Similarly, the regulatory requirement to amend the existing two vital laws i.e. the Nigerian Constitution and Finance (Control & Management) Act to amend the existing laws to effect the changes in line with the new Standard(for instance to capture the issue of non-disclosures and it's sanctions) is also a point/challenge to consider.

2.3 Prospects of IPSAS Adoption in Nigeria

The initial goal of IPSAS were to promote greater government accounting in all countries, improved quality and reliability in accounting and financial reporting, better financial and economic performance, better financial management and discipline, and international harmonization of reporting requirements (IFAC,

1996). Over the years, several governments in the public sector have no standardized way of reporting financial performance. The adoption of the IPSAS will be seen as a step towards uniform financial reporting and better communication to the public sector and other donor agencies (Chan, 2006). Also, it was pointed out by Pina & Torres (2003) and Chan (2006) that the introduction of IPSAS will provide more and accurate information about government performance. In developing countries, Hughes (2013) emphasizes the adoption of IPSAS concern very important matter because it improves the capacity of governments to provide the legislative bodies, citizens, media and other stakeholders with understandable, relevant, reliable, and comparable financial statements; this will improve the quality of financial accountability and governance; Up-front development of the harmonized accounting policy is the key step in strengthening the budget execution process and improving the quality of financial reporting. In addition, the PWC survey report (2013) indicates that greater transparency and accountability stands out as the greatest benefit of adopting IPSAS.

In Nigeria, Otunla (2014), who happens to be the Accountant General of the Federation and Chairman FAAC Sub-committee on IPSAS adoption says that, the adoption of IPSAS will enable the users of government's financial statements would see more transparency, accountability and integrity in the statements. He further explained that the standards would also build confidence of donor agencies, improve service delivery, enhance public-private partnership, and boost peer review mechanism of financial reports among the three tiers of governments and governments of other countries. Other benefits of the adoption are better access to financing through either bonds releases or international financing from organizations such as the International Monetary Fund and the World Bank. In a study conducted by Ijeoma and Oghoghomeh (2014), they concluded that the adoption of IPSASs in Nigeria will generate lots of benefits which they classified into political and economic benefits. The political benefits include: accountability, transparency, decision making, basis for efficient and effective public sector management, improved credibility/integrity, international best practice & comparability, enables stakeholders to assess how well their resources have been utilized and enhanced implementation of the Freedom of Information Act. While the economic benefits include: aggregate reporting, improved service delivery, enhanced Public-private partnership arrangements, comparability, building confidence in donor agencies and lenders, competitiveness in the global market place and increased cross border investment and foreign direct investment.

The theory that underpins this study is the agency theory. According to agency theory, defined within the public sector, both politicians and parties need to demonstrate to the voters and taxpayers how they spend public money and if they kept their electoral promises. In this point of view a set of accounting principles and comparable financial reporting is supposed to increase transparency (Evans & Patton, 1987).

3.1 Methodology

The research design adopted for the purpose of conducting this study is survey research design. The survey design focuses on the assessment of the respondents' perceptions on the challenges and prospects of Cash Basis IPSAS Implementation in Nigeria. The primary source of data for this research work is questionnaire. The questionnaire used both open and closed-form questions and consisted of two sections. A copy of the questionnaire is given in Appendix A. The first section asked personal data of the respondents such as job in public sector, job designation, educational and professional qualifications, name of the organization and working experience. The second section asked respondents questions on IPSAS adoption/implementation/application, progress made so far, the key challenges associated with the adoption and prospects of the adoption. The questionnaire was administered on 265 respondents consisting of accountants, internal auditors, and budget officers. It should be noted, however, that out of the total two hundred and sixty five (265) questionnaires administered on the respondents, only two hundred and six (206) were filled and returned; representing about eighty two percent (78%).

The population of the study consists of all the 24 Federal Government Parastatals/institutions in Zaria metropolis of Kaduna state as shown in table 3.1. For the purpose of this study, filter is used to filter those organizations which does not meet/satisfy the following requirements (i) The organization must have account staff, (ii) The organization must have audit staff, (iii) The organization must have budget officers, and (iv) The staff strength of the organization must be from thirty (30) and above in number. Any organization that does not meet these requirements is filtered out and Krejcie and Morgan (1970) table was used in determining the sample size. Table 3.2 shows the sample of the study. For the purpose of conducting this study, data was collected from both the primary and secondary sources. The primary data was collected through the use of questionnaire and the secondary data was obtained from reports, textbooks, journals and magazines. This provides commonly used measures for reducing raw data to easy-to understand dimensions. The statistical tools chosen and adopted by

the researcher for this study were frequency distribution table and simple percentages.

Table 3.1: List of Federal Government Institutions/Parastatals in Zaria (Population of the Study)

| S/N | NAME OF PARSATATAL | MINISTRY | ACCOUNT | AUDIT | BUDGET | TOTAL |
|-----|---|------------------------------------|---------|-------|--------|-------|
| 1 | Nigerian Institute of Leather and Science Technology | Ministry of Science and Technology | 14 | 3 | 3 | 20 |
| 2 | National Research Institute for Chemical Technology | Ministry of Science and Technology | 23 | 7 | 4 | 34 |
| 3 | Centre for Energy Research and Training | Ministry of Science and Technology | 9 | 4 | 2 | 15 |
| 4 | Ahmadu Bello University Teaching Hospital | Ministry of Health | 110 | 29 | 2 | 141 |
| 5 | National Tuberculosis and Leprosy Training Centre | Ministry of Health | 7 | - | 1 | 8 |
| 6 | Ahmadu Bello University, Zaria | Ministry of Education | 298 | 47 | 5 | 350 |
| 7 | Federal College of Education, Zaria | Ministry of Education | 58 | 8 | 5 | 71 |
| 8 | Federal Government Girls College, Zaria | Ministry of Education | 4 | 1 | - | 5 |
| 9 | Divisional College of Agriculture | Ministry of Agriculture | 25 | 3 | 2 | 30 |
| 10 | National Animal Production Research Institute | Ministry of Agriculture | 32 | 4 | 2 | 38 |
| 11 | Nigerian Agricultural Research Extension Leasing Services | Ministry of Agriculture | 26 | 3 | 2 | 31 |
| 12 | Institute for Agricultural Research | Ministry of Agriculture | 51 | 5 | 2 | 58 |
| 13 | Nigerian Institute of Transport Technology | Ministry of Transport | 25 | 5 | 4 | 34 |
| 14 | Nigerian Railway Corporation Head Quarter Zaria Northern District, Region Headquarter | Ministry of Transport | 9 | 7 | - | 16 |
| 15 | Centre for Automobile Design | Ministry of Transport | 4 | 2 | 1 | 6 |
| 16 | Nigerian College of Aviation Technology | Ministry of Aviation | 25 | 8 | 4 | 37 |
| 17 | Federal Airport Authority of Nigeria | Ministry of Aviation | 2 | - | - | 2 |
| 18 | Nigeria Airspace Management Agency | Ministry of Aviation | 3 | - | - | 3 |
| 19 | Nigeria Metrological Agency | Ministry of Aviation | - | - | - | - |

| | | | | | | |
|--------------|--|---------------------|-----|-----|----|-----|
| 20 | Nigerian Military School Zaria | Ministry of Defence | 5 | 3 | - | 8 |
| 21 | Nigerian Army II Field Engineers, Basawa | Ministry of Defence | 4 | 2 | 1 | 7 |
| 22 | Nigerian Army School of Military Police Headquarters, Basawa Zaria | Ministry of Defence | 4 | 1 | 2 | 7 |
| 23 | Depot Nigerian Army, Zaria | Ministry of Defence | 7 | 3 | - | 10 |
| 24 | Nigerian Army School of Physical Training | Ministry of Defence | 6 | 2 | - | 8 |
| Total | | | 751 | 147 | 41 | 939 |

Source: Field survey 2015 conducted by the researcher

Table 3.1: List of Federal Government Institutions/Parastatals in Zaria (Sample of the Study)

| S/N | NAME OF PARSATATAL | MINISTRY | ACCOUNT | AUDIT | BUDGET | TOTAL |
|-----|---|------------------------------------|---------|-------|--------|-------|
| 1 | National Research Institute for Chemical Technology | Ministry of Science and Technology | 23 | 7 | 4 | 34 |
| 2 | Ahmadu Bello University Teaching Hospital | Ministry of Health | 110 | 29 | 2 | 141 |
| 3 | Ahmadu Bello University, Zaria | Ministry of Education | 298 | 47 | 5 | 350 |
| 4 | Federal College of Education, Zaria | Ministry of Education | 58 | 8 | 5 | 71 |
| 5 | Divisional Colleges of Agriculture | Ministry of Agriculture | 25 | 3 | 2 | 30 |
| 6 | National Animal Production Research Institute | Ministry of Agriculture | 32 | 4 | 2 | 38 |
| 7 | Nigerian Agricultural Research Extension Leasing Services | Ministry of Agriculture | 26 | 3 | 2 | 31 |
| 8 | Institute for Agricultural Research | Ministry of Agriculture | 51 | 5 | 2 | 58 |
| 9 | Nigerian Institute of Transport Technology | Ministry of Transport | 25 | 5 | 4 | 34 |
| 10 | Nigerian College of Aviation | Ministry of Aviation | 25 | 8 | 4 | 37 |

| | | | | | | |
|--------------|------------|-----|-----|----|-----|--|
| | Technology | | | | | |
| Total | | 673 | 119 | 32 | 824 | |

Source: Field survey 2015 conducted by the researcher

4.1 Results and Discussion

This section of the study presents and analyze the data collected using frequency distribution table and simple percentages. The completed copies of the questionnaires were used for the analysis from (206) valid respondents out of the (265) distributed. The response rate is 78%. The results were discussed below in each of the frequency distribution table. The tables are arranged as follows:

Table 4.1: Job of Respondents

| Class | Number | % |
|---------------------|--------|-----|
| Accounts | 118 | 57 |
| Audit | 63 | 31 |
| Budget and Planning | 25 | 12 |
| Total | 206 | 100 |

Source: Field Survey 2015 conducted by the researcher

Table 4.1 shows the distribution of the respondents in terms of their various jobs. The table indicates that most of the respondents are in the accounts and audit at 84% and 12% in budget and planning.

Table 4.2: Highest Educational Qualification of Respondents

| Class | Number | % |
|---------|--------|-----|
| HND | 47 | 23 |
| BSC | 53 | 26 |
| PGD | 41 | 20 |
| Masters | 26 | 12 |
| PHD | Nil | Nil |
| Others | 39 | 19 |
| Total | 206 | 100 |

Source: Field Survey 2015 conducted by the researcher

Table 4.2 presents the distribution of respondents in terms of their qualifications. The table shows that 81% of the respondents hold qualifications ranging from HND to Masters Degree. Though none of the respondents hold PHD and others that do not have HND, BSC, PHD or Masters accounts for 19%, someone will

expect an objective response on the subject matter because 81% of the respondents are familiar and knowledgeable in the area of accounting.

Table 4.3: Professional Qualification of Respondents

| Class | Number | % |
|--------|--------|-----|
| ACA | 15 | 7 |
| CNA | 34 | 17 |
| ACIT | 11 | 5 |
| AMNIM | 12 | 6 |
| Others | 134 | 65 |
| Total | 206 | 100 |

Source: Field Survey 2015 conducted by the researcher

Table 4.3 shows that majority of the respondents do not hold any professional qualification, which represents 65% and 134 respondents. The respondents that are professionally qualified, accounts for only 35%. This indicates that more professionally qualified hands are needed for the successful implementation of IPSAS.

Table 4.4: Respondents Years of Experience

| Class | Number | % |
|--------------------------|--------|-----|
| Below/Less than 5 years | 31 | 15 |
| 5 – 10years | 132 | 64 |
| Above/more than 10 years | 43 | 21 |
| Total | 206 | 100 |

Source: Field Survey 2015 conducted by the researcher

Table 4.4 shows that most of the respondents have spent between 5-10 years in the public sector of 64%, While 21% representing 43 respondents spent more than 10 years and 15% from them less than 5 years. The above table shows that 85% of the respondents have the experience for IPSAS implementation but are not adequately trained to acquire the necessary skills and expertise for IPSAS adoption.

Table 4.5 (a): Application of IPSAS

| Respondents | Number | % |
|-------------|--------|----|
| Yes | 61 | 30 |
| No | 85 | 41 |

| | | |
|--------------|-----|-----|
| I don't Know | 60 | 29 |
| Total | 206 | 100 |

Source: Field Survey 2015 conducted by the researcher

Table 4.5 (a) shows that only 30% of the respondents are of the opinion that they have started applying the IPSAS while 70% indicate that they have not started. This clearly shows that more need to be done concerning the implementation of IPSAS.

Table 4.5 (b): Areas of Operation in which IPSAS is applied

| Area of Operation | Number | % |
|-------------------|--------|-----|
| Budget | 39 | 19 |
| Financial Reports | 22 | 11 |
| Audit | 0 | 0 |
| All | 0 | 0 |
| Others | 145 | 70 |
| Total | 206 | 100 |

Source: Field Survey 2015 conducted by the researcher

Table 4.5 (b) shows the distribution of the respondents according to the area of operation. It indicates that some organizations have started complying with the provisions of IPSAS 2 cash flow statements and IPSAS 24 budget information in the financial statements. 145 representing 70% are of the opinion that their organizations are yet to start preparing their budget and accounts based on IPSAS.

Table 4.6: Factors determining the challenges of Adoption of IPSAS

| | | Number of Respondents and Percentage | | | | | |
|---|--|--------------------------------------|----|-----|----|-------|-----|
| | | Yes | % | No | % | Total | % |
| 1 | IPSAS was communicated to your organization. | 99 | 48 | 107 | 52 | 206 | 100 |
| 2 | Staff are adequately trained for IPSAS adoption | 64 | 31 | 142 | 69 | 206 | 100 |
| 3 | Government made adequate provision for IPSAS implementation in the budget. | 49 | 24 | 157 | 76 | 206 | 100 |
| 4 | Do you encounter any form of resistance in the IPSAS implementation? | 87 | 42 | 119 | 58 | 206 | 100 |
| 5 | Is the level of technology in use adequate for the purpose of IPSAS. | 76 | 37 | 130 | 63 | 206 | 100 |

| | | | | | | | |
|---|---|----|----|-----|----|-----|-----|
| 6 | Do you have adequate and skilled manpower for IPSAS adoption? | 56 | 27 | 150 | 73 | 206 | 100 |
|---|---|----|----|-----|----|-----|-----|

Source: Field Survey 2015 conducted by the researcher

Table 4.6 shows the analysis of respondent's opinion on the challenges of IPSAS adoption. It is evident that the major challenges confronting IPSAS adoption are lack of adequate funding/finance which accounts for the highest percentage of 76% followed by lack of adequate and skilled manpower 73% and 69% is accounted by lack of adequate training and retraining of the respondents. Also, as indicated above the level of technology is not adequate. In addition to the responses in table 4.6 concerning the challenges of IPSAS adoption, respondents also list down the following as part of the challenges faced by them in their various places of work, Lack of internal connectivity, lack of electricity, inadequate internal control, inadequate training, non-challant attitude of staff, lack of adequate internet facilities, only few are issued in the process of implementation, limited resources, reluctant to pay accompanying implementation cost, poor orientation on the IPSAS, network/system failure, the server is always faulty, government are not certain about the packages, poor level of awareness, no specification for auditors in IPSAS implementation, lack of adequate information. Some respondents are of the opinion that ministerial interference posed a great challenge.

Table 4.7: Deadline for IPSAS Adoption

| | Yes | % | No | % | Total | % |
|---|-----|----|-----|----|-------|-----|
| Do you consider the deadline given for the adoption of IPSAS appropriate? | 33 | 16 | 173 | 84 | 206 | 100 |

Source: Field Survey 2015 conducted by the researcher

Table 4.7 shows the opinion of the respondents with respect to the appropriateness or viability of the deadline for the adoption/implementation of IPSAS. The analysis indicates/shows that 173 respondents representing 84% are of the opinion that the deadline for the adoption is not appropriate due to the fact that up till now majority of MDAs are still in the various stages of the adoption process. It could be due to the challenges identified in table 4.6.

A summary of responses to question 25 i.e. what are the prospects of IPSAS adoption in Nigeria?

Respondents to this question are of the opinion that the prospects of IPSAS adoption is bright but must be handled in a diligent way, it will enable Nigeria to conform with the international best practice, it will enhance uniformity and harmonization, pave way to economic development, enhanced transparency, encourage accountability and probity, reduce and minimize corruption, lead to better informed assessments of resource allocation decisions of the government, speed up budget implementation, provide accurate reports, boost economic and business activities, facilitate revenue generation, transparent payment system, enhance personal skill and knowledge. Other respondents state that the prospects is very good, it will reduce wastages, it will improve service delivery, it will make public servants accountable, uniformity in the preparation of financial statements (financial reporting).

Findings

- (i) The deadline for the adoption of cash basis IPSAS in 2014 and accrual basis IPSAS in 2016 is not realistic. The initial deadline for the adoption was December 2012 for cash basis IPSAS and January 2015 for accrual basis IPSAS. According to Nongo (2014), the sub-committee on IPSAS implementation recommended the extension because “it was not feasible” for the country to adopt the cash-basis IPSAS by January 2013. He said the committee also recommended that the take-off date for the accrual basis IPSAS be extended from 2015 to 2016. He further stated that, still there is the need to do a lot of capacity building because this is a new system that requires a lot of training for accountants, budget officers and operators in all the three tiers of government and also a new module for IPSAS implementation that was prepared and completed is yet to be distributed.

- (ii) The major challenges facing the adoption of IPSAS in Nigeria are lack of adequate funding, lack of adequate and skilled manpower, lack of training and retraining of staff and the level of technology is not adequate/ the development of government IT-accounting systems is not good enough to make IPSAS possible in Nigerian government accounting. The success of government accounting reform depends on political and management support, in addition to the availability of budgetary and human resources, and information technology (Chan, 2006). Public sector accountants are used to cash-based accounting. Therefore, when moving to accrual-based accounting which is a new method and requires accountants with many skills as well as knowledge, the government needs to train high qualified

and professional accountants. Moreover, the government needs to provide a more robust integrated financial management system together with information technology to gain financial information promptly, timely and exactly.

- (iii) Adoption of IPSAS will lead to uniformity/harmonization of financial reports, pave way to economic development, boost economic and business activities, enhance transparency, accountability and probity, provision of relevant and reliable information for decision making and conform with the international best practices. Hughes (2013) emphasizes the adoption of IPSAS concern very important matter because it improves the capacity of governments to provide the legislative bodies, citizens, media and other stakeholders with understandable, relevant, reliable, and comparable financial statements; this will improve the quality of financial accountability and governance; Up-front development of the harmonized accounting policy is the key step in strengthening the budget execution process and improving the quality of financial reporting.

5.1 Conclusions and Recommendations

The adoption, application or implementation of IPSAS in Nigeria will help in the harmonization of financial operation and uniformity in the reporting of public sector accounting information and disclosure. The adoption will ensure better financial information supports, better financial management, better information to donors and countries providing external assistance, better quality and credibility of financial reports.

Based on the findings and conclusions of this study, the following recommendations were made:

- i. Nigerian Government should learn a lesson from developed countries and set a realistic/achievable deadline for the adoption in order to avoid unnecessary shifting of the deadline.
- ii. Nigerian Government should put in place all the necessary facilities, make adequate provision in the annual estimate, intensified capacity building and training/retraining of wider spectrum for all financial officers, and provide robust and integrated ICT framework for IPSAS adoption and implementation.
- iii. In order to catch up with the trend in the global financial reporting environment, and to reap the benefits of the adoption, Nigerian

Government should as a matter of urgency enforce compliance by amending the provisions of the existing laws to handle issues of non disclosures with sanctions clearly spelt out.

References

- Adams, R. A. (2004): “*Public Sector Accounting and Finance*” 4th Edition, Corporate Publishers Ventures, Lagos.
- Adhikari, P. and Mellemvik, F. (2010), “ The Adoption of IPSASs in South Asia: A comparative Study of Seven Countries”, *Research in Accounting in Emerging Economies*, Vol. 10
- Aliyu, A. A. (2007): “Public Sector Accounting: Theory and Practice” Sa’adeen Press, Sabon Gari, Zaria.
- Aliyu, A. A. (2014); IPSAS: History and its Adoption in Nigeria. A paper presented at a workshop organized by the office of the Accountant General of Kaduna State.
- Atuilik W. A. (2013); The Relationship between the adoption of International Public Sector Accounting Standards (IPSAS) by governments and perceived levels of corruption. Available at <http://search.proquest.com/docview/1328385445>.
- Ball, I. (2012), New Development: Transparency in the Public Sector, *Public Money and Management* 32:1, 35-40.
- Ball, I. and Dale, T., (2001). Reforming financial management in the public sector: lessons U.S officials can learn from New Zealand, <http://www.rppi.org/privatization/ps> (258.html).
- Barton, A. (2011), Why Governments Should Use the Government Finance Statistics Accounting System. *Abacus* 47:4, 411-445.
- Bello A. (2013); IPSAS: Issues, Challenges and Implementation. A paper presented at Mandatory Continuing Professional Development (MCPD) Organized by Institute of Certified Public Accountants of Nigeria (ICPAN).
- Bello A. (2014). The economics of Adopting International Public Sector Accounting Standard in Nigeria.
- Blondal, G. (1988). Government Financial Reporting in LDCs. “Finance and Development Journal (September)”.
- Brusca, I. and Condor, V. (2002) Towards the Harmonization of Local Accounting Systems in the International Context. *Financial Accountability & Management* 18(2): 129-162.
- Buschor, E. and Schedler, K. (Eds), Perspectives in performance Measurement. Berne Haupt, pp. 1-15.
- Carlin, T. (2005), Debating the impact of accrual accounting and reporting in the public sector. *Financial Accountability and Management* 21:3, 309-336.

- Champoux, M. (2006), Accrual accounting in New Zealand and Australia: issues and solutions. Cambridge: Harvard Law School, Federal Budget Policy Seminar, Briefing Paper 27.
- Chan, J. L. (2003) Government Accounting: An Assessment of Theory, Purpose and Standards. *Public Money & Management*, 1: 13-19.
- Chan, J.L. (2005) "Government Accounting Reform in Developing Countries: Connecting MDG, PRS and IPSAS", paper presented at the 10th Biennial CIGAR conference, Poitiers, France, May 24-25
- Chan, J.L. (2006) IPSAS and government accounting reform in developing countries. *Accounting Reform in the Public Sector: Mimicry, Fad or Necessity*, 31-42.
- Chan, J.L. (2010). Government Aoption of Accounting Standards, especially IPSAS. www.jameslchan.com, Retrieved from <http://jameslchan.com/papers/chanPhDsem6.pdf>
- Christensen, M. (2002) "Accrual Accounting in the Public Sector: the case of the New South Wales Government", *Accounting History*, NS 7(2): 91-122.
- Christiaens, J. and Rommel, J. (2008), Accrual accounting reforms: Only for business-like (parts of) governments. *Financial Accountability and Management* 24:1, 59-75.
- CIA factbook worldwide (2014): New Zealand Website: <https://www.cia.gov/library/publications/the-world-factbook/geos/nz.html>
- Colin, S. M. H. (2007), Dictionary of Accounting, 4th Edition, A & C Black Publishers Limited, London.
- Connolly, C. and Hyndman, N. (2006), The actual implementation of accruals accounting. Caveats from a case within the UK public sector. *Accounting, Auditing and Accountability* 19:2, 272-290.
- Craner, J. and Jones, R. (1990). "Accrual Accounting for National Governments: The Case of Developing Countries". *Research in Third World Accounting*.
- Davis, N. (2010), Accrual accounting and the Australian public sector-A legitimation explanation. *Australian Accounting Business and Finance Journal* 4:2 61-78.
- Dean, P. N. (1988): "The Evolution of Governmental Financial Management in Developing Countries". In J. L Chain and R. H. Jones (eds) *Governmental Accounting and Auditing International Comparisons*. (Anthony Rowe Ltd).
- Dean, P. N. (1989) "Accounting for Development Projects": *Issues in Financial Accounting and Management Journal*, 5 (3).
- Deloitte (2013), IPSASs in your pocket, Available in www.iasplus.com
- Economic Commission for Africa (ECA) (2003), *Public Sector Management Reforms in Africa*, Addis Ababa, Ethiopia, Development Policy Management Division (DPMD)
- Evans, J.H. and Patton, J.M. (1987), Signaling and Monitoring in Public Sector Accounting, *Journal of Accounting Research* 25:130-158
- FAAC Sub-Committee, (2012). *Improving the Public Sector Accounting System in Nigeria*.

Implementation of Cash Basis IPSAS in Nigeria: Challenges and Prospects

- Garseth-Nesbakk, L. and Adhikari, P. (2009), Public Sector Accruals, paper presented at the 12th Biennial CIGAR Conference, Modena, May 28-29
- Godfrey, A.D., Devlin, P.J. and Merrouche, M.C.: A Diffusion-Contingency model for government accounting innovations, Paper presented at the 7th CIGAR Conference, Tilburg University, the Netherlands, 24-25 June 1999.
- Guthrie, J. (1998), Application of accrual accounting in the Australian public sector-Rhetoric or reality? *Financial Accountability and Management* 14 (1), 1-19
- Hamisi, K. S. (2012), The factors affecting the implementation of International Public Sector Accounting Standards in Kenya. Unpublished MBA Project, University of Nairobi, Kenya.
- Hepworth, N. (2003), 'Preconditions For Successful Implementation Of Accrual Accounting In Central Government' *Public Money & Management* 23(1), Pp 37-43.
http://www.cipfa.org.uk/international/download/paper_hepworth_jan03.pdf
- Hollier, R. (2012), Insights and Experience on insights from implementation of Accrual Accounting in Australia and other countries. Published by Australian National University, 2012.
- Hofstede, G. (1980), *Culture's Consequences: International Differences in Work-Related Values*. Beverly Hills CA: Sage Publications.
- Hyndman, N., and Connolly, C. (2011), Accrual accounting in the public sector: a road not always taken. *Management Accounting Research*, 22 (1), 36-45.
- IFAC, (1996), "Implementation of accounting in government: The New Zealand Experience", Occasional paper 1, December 1996.
- IFAC, (2003), Study 14 Transition to the Accrual Basis of Accounting: Guidance for Governments and Government Entities, New York. IFAC.
- IFAC (2008), *IFAC Handbook of International Public Sector Accounting Pronouncements*. New York.
- IFAC (2004), *Challenges and Success in Implementing International Financial Standards: Achieving Convergence to IFRSs and ISAs*, New York.
- Ijeoma, N. B. and Oghoghomeh, T. (2014), Adoption of International Public Sector Accounting Standards in Nigeria: Expectations, Benefits and Challenges. *Journal of Investment and Management*. Vol. 3 No. 1. 2014. Pp 21-29.
- Ionascu, I., Olimid, L. and Calu, D.A.(2007), An Empirical Evaluation of the costs of harmonizing Romanian Accounting with International Regulations (EU Directives and IAS/IFRS). *Accounting in Europe*, 4(2), 169-206
- IPSAS Board (2007), *Cash Basis International Public Sector Accounting Standard Financial Reporting Under the Cash Basis of Accounting* IFAC, New York.
- IPSAS Board (2008a), *IPSAS Adoption by Governments*, July, New York, IFAC
http://web.ifac.org/download/IPSASB_Adoption_Governments.pdf

- IPSAS Board (2008b), *Preface of International Public Sector Accounting Standards*. New York, IFAC.
http://web.ifac.org/Members/Downloads/2008_A04_Preface.pdf.
- Jaruga, A. and Nowak, W., (1996), "Towards a general model of public sector accounting innovations", *Research in Government and non-profit accounting*. Pp.21-31.
- John C. (2011), *IPSAS Adoption in Nigeria Step to Improved Accountability in the Nigeria Public Sector*.
- Krejcie and Morgan (1970), *Table for Determining Sample Size for a Finite Population*.
- Land, E. and Rocher, S. (2011), *Pre-requisites for applying accrual accounting in the public sector*. *Public money and management*, 31 (3), 219-222.
- Luder, K., (1992), "Contingency Model of government accounting innovations. *Research in Government and Nonprofit Accounting*, Vol. 7 pages 99-127.
- Lüder, K. (1994) "The Contingency Model Reconsidered: Experience from Italy, Japan and Spain".
- Lüder, K. (2001), "Research in Comparative Governmental Accounting over the Last Decade- Achievements and Problems". Working Paper (CIGAR 8 Conference Valencia. 14th-15th June).
- Luder, K. and Jones, R. (Eds) (2003) *Reforming Governmental Accounting and Budgeting in Europe*. Fachverlag Moderne Wirtschaft.
- Mainoma, M.A. and Adejola, A.P. (2010), "Financial Reporting Standards" a comparative synthesis, joyce graphic printers and publishers, Kaduna.
- NASB (2010), *Report of the Committee on the Road Map to the Adoption of International Financial Reporting Standards in Nigeria*. Available at www.nasbnigeria.org
- Nasi, G., and Steccolini, I. (2008), *Implementation of accounting reforms: An empirical investigation into Italian local governments*. *Public Management Review*, 10 (2), 173-194.
- Nongo J. Y. (2014), *IPSAS Issue for Public Finance Management Executive – IPSAS Outlook*. E. Y.com/IPSAS.
- Oduware, U. (2013), *Transition to IPSAS: Achieving a successful and seamless Adoption in Nigeria*. Available in http://www.deloitte.com/view/en_NG
- OECD (1993), *Accounting for what? The value of accrual accounting to the public sector*. Paris.
<http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=OCDE%2FGD%2893%29178&docLanguage=En>.
- OECD (2002), *Accrual Accounting and Budgeting – Key Issues and Recent Developments* (OECD, Paris)
- Okoye, E.I. and Ani, W.U. (2004), *Analys of Government and Public Sector Accounting*, Nimo: Rex Charles and Patrick Limited.
- Olusegun A. (2011), *IPSAS Adoption a Formidable Compliment to Effect Public Sector Instrument in Nigeria. A Seminar Paper*. Abuja.
- Onwubuariri P. (2012). *Improving Nigeria Public Sector Accounting Standards*. Premium Times December 4, 2012.

- Oshisami K. and Dean (1992): "Government Accounting and Financial Control": (Spectrum Books Megaron Publishers, Lagos).
- Otunla J. O. (2014); A Presentation at Annual Conference of the Institute of Chartered Accountants of Nigeria on the Implementation of the International Public Sector Accounting Standards (IPSAS) in Nigeria; The journey so far.
- Ouda, H., (2001). "Basic Requirements Model for Successful Application of Accrual Accounting in the Public Sector, Paper Presented at the 8th CIGAR Conference – Valencia University, Valencia, Spain, 14-15 June.
- Ouda, H. (2003) Accrual Accounting in the Government Sector: Background, Concepts, Benefits and Costs", *Public Fund Digest*, Vol.111, No 2, pp.52- 73. *International Consortium on Governmental Financial Management (ICGFM). Washington D.C.*
- Ouda, H. (2004) "Basic Requirements Model for Successful Application of Accrual Accounting in the Government Sector", *Public Fund Digest, Volume 4, No 1, pp. 78-99. International Consortium on Governmental Financial Management (ICGFM). Washington D.C.*
- Ouda, H. (2005) "Transition to Accrual Accounting in the Public Sector of Developed and Developing Countries: Problems and Requirements, With special focus on the Netherlands and Egypt" Universal Press, Veenendaal, the Netherlands, pp.405.
- Pallot, I. (2001), A decade in review: New Zealand's experience with resource accounting and budgeting. *Financial Accountability and Management*, 17 (4), 383-400
- Parry, M. and Wynne, A. (2009), "The Cash Basis IPSAS: An Alternative View", *International Journal of Government Financial Management, Vol. IX, No, 2 pp.23-29*
- Pawan A and Mallemvik F (2010), IPSASs in Developing Countries: A Case of Nepalese Central Government. *International Journal of Government Financial Management, X (2): 36-48.*
- Pina V and Torres L (2003), Reshaping Public Sector Accounting: An International Comparative View. *Canadian Journal of Administrative Sciences* 20(4): 334-350.
- Pina, V., Torres L. and Yetano, A. (2009), Accrual Accounting in EU Local Governments: One Method, Several Approaches. *European Accounting Review* 18(4): 765-807.
- Pollit C and Bouckaert G (2004), *Public Management Reform: A Comparative Analysis*. Oxford University Press, Oxford.
- Seidler, L. J. (1999), Materiality Decisions in the Computer Age. *The CPA Journal*, May issue, pp. 1-5. Available at <http://www.nysscpa.org/cpajournal/1999/0599/feature/599p22.html>.
- Scott, G. (1996). "Government Reform in New Zealand." *International Monetary Fund. Washington D.C*, October.

- Smullen, A. (2009), Business Style Accounting for the Core of Government: Academic Debates and International Experience. Report for the ministry of finance, The Netherlands.
- Subramanian, P. K. (2007), “Public Sector Accounting and Auditing Diagnostic Tools for Comparing Country Standards to International Standards”, *International Journal of Government Financial Management*, Vol. VIII, No. 1, pp. 1-14.
- Sutcliffe, P. (2003), “The Standards Programme of IFAC’s Public Sector Committee’, *Public Money & Management*, Vol. 23, No. 1. Pp. 29-36
- Sutcliffe, P. (2009) “International Public Sector Accounting Standards Board Review the Cash Basis IPSAS: An Opportunity to Influence Developments”, *International Journal of Government Financial Management*, Vol. IX, No. 2, pp. 15-22
- Torres, L. (2004), “Accounting and Accountability: Recent Developments in Government Financial Information Systems”, *Public Administration and Development*, Vol. 24, No. 5, pp. 447-456
- Udo, B. (2013), Nigerian Government adopts new public accounts strategy for 2014, Premium Time’s newspaper, September, 9. <http://premiumtimesng.com/business/144924-nigerian-governmentadopts-new-public-accounts-strategy-2014-bubget.html>.
- United Nations (1984) “Accrual Accounting in the developing countries”. New York.
- United Nations. (1995) “Financial management for Improved public management and Development, twelfth meeting of experts on the United Nations program in public Administration and Finance.” New York. 31 July-11 August.
- Umar, A.T. (2003), Public Sector Accounting Forty Questions and Forty Answers, Daylight Printers Limited Zaria Road, Sokoto.
- Van der Hoek, P. (2005), From cash to accrual budgeting and accounting in the public sector: the Dutch experience. *Public Budgeting and Finance* 32-45.
- Yerima N. (2012). Nigeria on Tract on IPSAS Implementation Workshop Abuja, International Public Sector Accounting Standards of IFAAC. A Critical Case Study, University of Tampere School of Finland.
- Zeghal, D. and Mhedhbi, K. (2006). An analysis of the factors affecting the adoption of International Standards by Developing Countries. Published by University of.....