Implementation of the Treasury Single Account System on Public Financial Management in Nigeria

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Abstract

The objective of the study was to appraise the effect of the implementation of the Treasury Single Account System on Public Financial Management in Nigeria. The survey research design was used and a sample of 246 was selected. Result of the findings revealed that, there is a significant benefit of the implementation of the Treasury Single Account System by Ministries, Departments and Agencies in Nigerian; the implementation of the Treasury Single Account System has positive significant effect on Public Financial Management in Nigeria; there is positive and significant relationship between the implementation of the Treasury Single Account System and Economic Growth and Development in Nigeria and significant challenges are encountered by Nigerian Ministries, Department and Agencies in the Implementation of the Treasury Single Account System. Hence the study recommended that the government should create appropriate enabling environments and legislative supports for the policy to bring about desired success and intended goals. Government should make available infrastructural facilities and technological equipment for the MDAs for effective take-off of the policy in respective locations where it is not yet implemented. Only a properly tailored and monitored TSA policy can achieve its desired purpose and serve as an effective tool in Public fund Management.

Keywords: Implementation; Treasury; Single; Account; Public Finance; Management

1. INTRODUCTION

Treasury Single Account (TSA) is one of the financial policies implemented by the federal government of Nigeria to consolidate all the revenue from all Ministries, Agencies and Departments (MDAs) in the country by way of deposit into commercial banks traceable into a single account at the Central Bank of Nigeria (Kanu, 2016). The survival and growth of domestic and international economic systems relies fundamentally on effective financial management, which is the efficient and effective management of funds in such a manner as to achieve particular objective (Solanke, 2018). Federal government agencies and Departments are required to have an effective financial management system as condition for receiving federal funds in Nigeria. Effective management requires that these government agencies must be able to account for and give accurate, current and full disclosure of their financial position.

The challenge facing most parts of the world and particularly the developing countries like Nigeria is how to achieve efficient allocation of resources as well as stabilization of the business cycles (Meyer 2007). An important factor for efficient management and control of government's cash resources is a unified structure of government banking (Iroegbu 2015); such unified banking arrangements should be designed to minimize the cost of government borrowing and maximize the opportunity cost of cash resources which requires that cash received must be available for carrying out government's expenditure programmes and making payments in a timely manner (Enweagbara, 2015).

Many emerging markets and low-income countries have fragmented systems for handling government receipts and payments (Akande 2015); in these countries, the ministry of finance/treasury lacks a unified view and centralized control over government's cash resources. As a result, this cash lies idle for extended periods in numerous bank accounts held by spending agencies while the government continues to borrow to execute its budget. It is based on these reasons that the current global revolution in government accounting became paramount following which Nigeria has initiated and implemented the Treasury Single Account (TSA) and other series of economic policies to assist in the better management of her economy.

Prior to the implementation of TSA, when Ministries, Departments and Agencies of government operated different accounts with deposit money banks for different operational transaction heads, revenue generating MDAs generally collected revenues through these accounts and remitted them periodically according to extant financial regulations. Some had approved percentages of such accrued revenues retained and utilized to meet their operational and overhead costs. This arrangement, in spite of the above shortcomings, was seen by the public officers as made for the easy administration and accomplishing of various economic activities in the institutions concerned. However, the government viewed the arrangement as allowing for looting of government revenue by heads of MDAs, thereby paving ways for high rate of corruption in the country. In other to ensure accountability and transparency, and plug obvious leakages, government introduced TSA as a public treasury management tool. Therefore, it is the view of the Central Bank of Nigeria (CBN, 2016), adopting the position of Pattanayak and Fainboim (2010), that establishing a treasury single account (TSA) will resolve these problems and

improve public sector cash management and control and should, therefore, receive priority in any public financial management (PFM) reform agenda.

Kaufman (2005) argued that an emphasis on accountability by citizens is one aspect of the growing emphasis on eliminating corruption and promoting transparency in government. Okwoli (2014) stated that the issue of accountability in Nigeria is a fundamental problem because of the high level corruption in all levels of government in the country which is evident from the Transparency International global Corruption Perception Index (CPI) survey in October 2010 where Nigeria ranked 134 from its initial position of 130 in 2009 and 121 in 2008. The 2010 CPI, drawn on a scale from 10 (highly clean) to 0 (highly corrupt), showed that Nigeria scored 2.4, and is ranked 134 amongst the 178 countries surveyed (Schmitz, Stefan & Geoffrey, 2006).

Consequently, it is in line with this that the study sought to investigate the effect of the implementation of the Treasury Single Account system on public finance management in Nigeria.

Statement of the Problem

According to Odewole (2016), One of the challenges facing developing countries like Nigeria is the absence of efficient allocation of resources as well as stabilization of the business cycles within the domestic economy. The lack of a solid unified structure of government banking as an important factor for efficient management and adequate control of government's cash resources had been debacle before the adoption of the TSA system.

The Treasury Single Account (TSA) policy was introduced to control and block financial leakages, promote transparency and prevent mismanagement of government's revenue, unify all government accounts, enabling it prevent revenue loss and mismanagement by revenue-generating agencies. Apparently, a master stroke against a tactless financial strategy emanating from an unholy alliance between banks and MDAs, the current implementation of this unified accounting structure, rightly called the Treasury Single Account (TSA), is laden with high expectations of economic prospects owing to its possibility of ensuring transparency and accountability (Bashir, 2016).

Many studies had been undertaken on the Treasury Single Account policy. For instance, the study of Kanu (2016) on the effect of TSA implementation on liquidity and performance of bank notes, the work of Isaac (2015) on the significant of TSA on the Nigeria economy, Bashir (2016) on the effect of TSA on financial management in Nigeria, and so on.

However, a review of these studies shows that, none of these studies to the best of our knowledge has been conducted to investigate the implementation of the Treasury Single Account alongside its effect on public financial management in Nigeria. This study sought to address and fill these gap.

Objectives of the Study

The general objective of the study is to investigate the level of Implementation of the Treasury Single Account System on Public Finance Management in Nigeria. Specifically, the objectives of the study are to:

1. Ascertain the benefit of the implementation of the Treasury Single Account System by Ministries, Departments and Agencies in Nigeria.
2. Determine the effect of Implementation of the Treasury Single Account System on Public Financial Management in Nigeria.
3. Find out the relationship between the implementation of the Treasury Single Account System and economic growth in Nigeria.
4. Access the challenges encountered by Nigerian MDAs in the implementation of the TSA system.

2. REVIEW OF RELATED LITERATURE

Concept of the Treasury Single Accounting System

A Treasury Single Account (TSA) is a unified structure of government bank accounts that gives a consolidated view of government cash resources. Based on the principle of unity of cash and the unity of treasury, a TSA is a bank account or a set of linked accounts through which the government transacts all its receipts and payments (Lienert 2009). The principle of unity follows from the fungibility of all cash irrespective of its end use. While it is necessary to distinguish individual cash transactions for control and reporting purposes, this purpose is achieved through the accounting system and not by holding/depositing cash in transaction specific bank accounts. This enables the treasury to delink management of cash from control at a transaction level.

The basic three essential traits of TSA are First, the government banking arrangement should be unified, to enable ministry of finance (Mof) (or treasury) oversight of government cash flows in and out of these bank accounts. A unified structure of government bank accounts allows complete fungibility of all cash resources, including on a real-time basis if electronic banking is in place. The TSA structure can contain ledger sub-accounts in a single banking institution (not necessarily a central bank), and can accommodate external zero-balance accounts (ZBAs) in a number of commercial banks.

Second, no other government agency operates bank accounts outside the oversight of the treasury. Options for accessing and operating the TSA are mainly dependent upon institutional structures and payment settlement systems.

Third, the consolidation of government cash resources should be comprehensive and encompass all government cash resources, both budgetary and corresponding cash flows are subject to budgetary control or not (Yusuf and Chiejina, 2015).

Empirical Framework

Ekubiat and Ime (2016) studied the Adoption of Treasury Single Account (TSA) by State Governments of Nigeria: Benefits, Challenges and Prospects. According to the study, Nigeria's Public Funds at all levels have been wrongly accounted-for by previous administrations. But to avert this threat coupled with the present country's dwindling economy, Federal Government of Nigeria has implemented Treasury Single Account (TSA) to properly manage the scare financial resources but State Governments of Nigeria have been left-out. The aim of this study was to examine the benefits, challenges and prospects of adoption of Treasury Single Account (TSA) by State Governments of Nigeria. Descriptive cross-sectional survey design was adopted for the study. The population for the study consisted of 200 Professional Accountants in Akwa Ibom State. Taro Yamane's statistical formula was used to select sample size of 133. Purposive sampling technique was used to select the 133 respondents/samples. The data obtained from questionnaire administration were analyzed using descriptive statistics and t-test statistics. The finding reveals that, TSA adoption and full implementation by the state governments will be of greatest benefit as shown in the weighted means scores of 4.20 and t-cal of 24.87; there will be challenges in a short-run but the benefits at a long-run will definitely out-weight the challenges.
It is the conclusion in this study that, State Governments of Nigeria should adopt and fully implement TSA for successful control and accountability of public funds so as to avoid bailout funds always from any source. State governments should enlighten all stakeholders on the benefits of TSA adoption as well as professional and regulatory bodies (ICAN, CBN, IMF, etc.) should help in designing, conceptualizing and road-mapping of TSA for the states.

Ahmed (2016) studied the Treasury Single Account (TSA) as an Instrument of Financial Prudence and Management: Prospects and Problems. According to the study, the Treasury Single Account (TSA) was recently implemented fully in the Nigerian economy by the present government in order to ensure prudence and probity in the management of financial resources. With the TSA government expects to block all loopholes and leakages of financial resources of the government and also ensure a robust financial management system. The paper therefore provides the conceptual meaning of the TSA and also gives its expected benefits to the economy of Nigeria such as enhance system of financial management and control, unification of various Accounts of government, reduction of the costs of government borrowing and ensuring of optimum utilization of government financial resources. The paper also analyses the objectives of the TSA systems and its various Accounts such as TSA main account, Subsidiary Account, ZBAs, Transit and Imprest Account among others. The paper finally discusses the prospects of the TSA system and its challenges and concludes that the system requires political will, honesty and determination so as to overcome the various challenges identified in the paper in order to achieve the expected benefits of the system.

Oguntodu & Alalade,Adekunle and Adegbie (2015) carried out an Assessment of Treasury Single Account and Nigerian Economy Between 1999 and 2015. According to the study, a treasury single account is a pool in which all government revenue is collected and controlled by the Central Bank of Nigeria, with the view to boost the economy and reduce corruption. CBN statistical bulletin (1999-2015) was analyzed using the OLS estimator. To this effect, an empirical analysis of the relationship between Treasury Single Account and economic

performance in Nigeria was carried out. The result shows that the Treasury Single Account has a positive significant impact on the country's economic growth but this impact is limited by various factors, one of them being the recent implementation of the policy in Nigeria which made the discovery of historical data difficult. The recommendation of this study is that the federal government of Nigeria should initiate policies and various means to make sure that there are proper accountings of the funds entering into the Treasury Single Account, and that such fund should follows due process. Also that any subsequent foul play by any agencies, or even the CBN is duly prosecuted.

3. METHODOLOGY

This research adopts the survey method to achieve the objectives of the research. The survey was designed to elicit responses from respondents on the implementation of Treasury Single Account System in Nigeria. The source of data for this study was primary. The primary data were obtained through the administration of questionnaire to Management Staff, Accountants, Auditors and Revenue Collectors in the selected Ministries, Department and Agencies in Abuja FCT. The population of the study consists of Management Staff, Accountants, Auditors and Revenue Collectors in the three government agencies in FCT Abuja. The Agencies are the Federal Inland Revenue Service (FIRS), Nigerian Customs Service and the Nigerian Immigration Service. The Management Staff are the highest caliber of staff which include the Chief Executives, Directors and other Directorate cadre who take policy decisions in the MDAs. The accountants are those who prepare government financial records in the MDAs, the auditors are those responsible for the audit of financial transactions while the Revenue Collectors are those who ensure that all government revenue in the MDAs are collected. A sample size of 246 was used. A total of two hundred and forty-six (246) questionnaires were administered in total. Sixteen (16) questionnaires were administered to management staff, Ninety-two (92) and one hundred and two (102) to Accountants and Auditors respectively and thirty- six (36) to Revenue Collectors. Both descriptive and inferential statistics were used. First, the responses to the questionnaire were analyzed by making use of descriptive statistics such as frequencies, percentages, minimum, maximum, means and standard deviation to describe the patterns of data. Data was captured from the questionnaire. They are collated with the aid of Microsoft Excel 2010. The gathered data are scrutinized and analyzed by employing a variety of quantitative analysis techniques using SPSS.

4. PRESENTATION OF DATA, ANALYSIS AND INTERPRETATION

DATA PRESENTATION

Table 4.1: Distribution of Questionnaire

Respondents (MDAs)	Number distributed	% Percentage	Returned	% of Returned	Not Returned	% Not Returned
Management Staff	16	6.5	14	6.0	2	14.3
Accountants	92	37.4	88	37.9	4	28.6
Auditors	102	41.5	97	41.8	5	35.7
Revenue Collectors	36	14.6	33	14.3	3	21.3
Total	**246**	**100%**	**232**	**100%**	**14**	**100%**

Source: Field Survey, 2021

The table above shows that 246 copies of questionnaire were distributed among 4 categories of the respondents from Ministries, Department and Agencies in Nigeria. 16 (6.5%) copies were distributed to the top management staff, 92(37.4%) copies also were given to the Accountants, 102(41.5%) copies were distributed to the Auditors and 36(14.6%) copies were distributed to the Revenue Collectors. Out of 246 copies questionnaire distributed, a total of 232 copies were returned while 14 copies were not returned. Therefore, the analysis of this research were be based on 232 copies returned.

Table 4.2: How does the implementation of the Treasury Single Account System benefit Ministries, Departments and Agencies in Nigeria?

S/NO.	QUESTIONS	VS	S	FS	W	VW	Total
1	Implementation Of TSA System brought about efficient management and control of federal government cash resources.	151	61	12	8	-	232
2	The level of implementation of TSA system established a unified structure where all government	188	39	5	-	-	232

	funds are collected in one account.						
3	Implementation of TSA system resulted in reducing of the proliferation of bank accounts operated by MDAs.	200	30	2	-	-	232
4	The implementation of TSA system in MDAs achieved financial accountability among governmental organs.	194	36	1	1	-	232
5	The level of Implementation of TSA system reduced borrowing costs and improved government 's fiscal.	201	28	2	1	-	232
	Total	**934**	**194**	**22**	**10**	**0**	**1160**

Source: Field Survey, 2021

Table 4.3: To what extent has the Treasury Single Account system implementation affected Public Financial Management in Nigeria?

S/NO.	QUESTIONS	VS	S	FS	W	VW	Total
6	TSA implementation has influenced the operational control of MDAs budget execution in Nigeria.	172	60	-	-	-	232
7	Adoption of TSA system by MDAs enhanced the efficient of public funds allocation in Nigeria.	205	27	-	-	-	232
8	The implementation of TSA resulted in effective monitoring of receipt and expenditure of public financial management in Nigeria.	30	201	1	-	-	232
9	The adoption of the policy of TSA in MDAs has increased their revenue generation.	197	35	-	-	-	232
10	The introduction of TSA system exposed financial loopholes in MDAs	119	113	-	-	-	232
	Total	**723**	**436**	**1**	**0**	**0**	**1160**

Source: Field Survey, 2021

Table 4.4 What is the relationship between the implementation of the Treasury Single Account System and Economic Growth and Development in Nigeria?

S/No.	QUESTIONS	VS	S	FS	W	VW	Total
11	The implementation of the TSA system eliminates the burden of multiple accounts which helped to conserve funds for project developments.	122	100	8	1	1	232
12	The implementation of the TSA has brought about considerable gains to the federal government and to the Nigeria Economy.	163	69	-	-	-	232
13	With the implementation of TSA, funds were loosens up for growth and development in Nigeria	32	200	-	-	-	232
14	The implementation of TSA has revealed illegal diversion of government fund activities going on in MDAs, which all funds are now monitoring and remitting direct to federal government accounts which saved funds for economic growth and development.	78	150	2	1	1	232
15	TSA has saved federal government from needless borrowings and interest on such borrowings from commercial banks which increased the economic growth and development in Nigeria.	116	114	1	1	-	232
	Total	**511**	**633**	**11**	**3**	**2**	**1160**

Source: Field Survey, 2021

Table 4.5: To what extent does MDAs encounter challenges in the implementation of the Treasury Single Account?

S/NO.	QUESTIONS	VS	S	FS	W	VW	Total
16	Difficulty in accessing bank statements and associated reconciliation issues	200	29	2	1	-	232
17	Lump sum transfer of MDA balances by	126	100	3	2	-	232

	DMBs						
18	Multiplicity of sub accounts	206	20	5	1	-	232
19	Non implementation of spending controls by extra-budgetary entities/funds	194	38	1	-	-	232
20	Lack of robust reporting and BI capabilities	45	187	-	-	-	232
	Total	**771**	**374**	**11**	**4**	**0**	**1160**

Source: Field Survey, 2021

Test of Hypothesis One

Statement of the hypothesis in both null and alternative forms.

The hypothesis is restated in both Null and Alternative forms as follows:

H_0:   There is no significant benefit of the implementation of the Treasury Single Account System by Ministries, Departments and Agencies in Nigeria.

H_1:   There is significant benefit of the of implementation of the Treasury Single Account System by Ministries, Departments and Agencies in Nigeria.

Independent Sample T-Test
Group Statistics

	Respondents	N	Mean	Std. Deviation	Std. Error Mean
Benefit_of_TSA	Male	471	135.7898	60.11553	2.76998
	Female	689	175.1684	58.68501	2.23572

Source: Researcher's output (Spss 23)

The table above shows the group descriptive statistics of the respondents in MDAs by sex that responded to the benefit of implementation of the Treasury Single Account System in Nigerian. Mean for male is 135.7898 with total number 471 and 175.1684 with N = 689 which shows different statistical value in their comparison.

Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means		

		F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Benefit of_TSA	Equal variances assumed	24.297	.000	-11.113	1158	.000	-39.37855	3.54358	46.33111	32.42599
	Equal variances not assumed			-11.062	993.729	.000	-39.37855	3.55967	46.36388	32.39323

Source: Researcher's output (Spss 23)

Interpretation of the Results

- **Levene's Test for equality of Variances Report (α=0.05)**

Decision rule:

If p-value ≤ 0.05, report with equal variances not assumed, otherwise report with equal variance assumed.

F = 24.297, P =0.001

The p-value of levene's test = (0.001) < α – Level (0.05) from the analysis we report the t-test for equality of means with equal variance not assumed row which indicates that the variances are significantly difference.

- **T-test for Equality of Means**
  T-test = -11.062
  Mean difference = -39.37855
  Df = 993.729
  p-value = 0.001

From the results, the sign of the mean difference (MD) value (-39.37855) corresponds to the sign of the t-value (-11.062). The negative sign shows that the mean of the first group (Male) is significantly less than the mean of the second group (Female).

Reporting of Hypothesis

Decision rule: Reject null hypothesis if p-value is less than α-Level otherwise accept H_0

P-value = 0.001   **α – Level = 0.05**

Conclusion

Based on the data under study, the p-value is less than the significance α-Level, we reject the null hypothesis, and conclude that there is significant benefit of the implementation of the Treasury Single Account System by Ministries, Departments and Agencies in Nigeria.

Test of Hypothesis Two

Statement of the hypothesis in both null and alternative forms

The hypothesis is restated in both Null and Alternative forms as follows:

H_0: Implementation of the Treasury Single Account System has no positive significant effect on Public Financial Management in Nigeria.

H_1: Implementation of the Treasury Single Account System has positive significant effect on Public Financial Management in Nigeria.

Analysis of Regression Results

METHODS=Ordinary Least Square (OLS)
RESIDUALS= DURBIN
DF= 1159
Dependent Var.= TSA
Independent Var.= PFM

Descriptive Statistics

	Mean	Std. Deviation	N
Treasury Single Account	4.6224	.48677	1160
Public Financial Management	158.7966	56.13525	1160

Source: Researcher's output (Spss 23)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.342[a]	.457	.116	.117	.009

a. Predictors: (Constant), Public Financial Management
b. Dependent Variable: Treasury Single Account

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	32.096	1	32.096	153.254	.000[b]

Residual	242.521	1158	.209		
Total	274.617	1159			

a. Dependent Variable: Treasury Single Account
b. Predictors: (Constant), Public Financial Management

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.152	.040		102.941	.000
	PFM	.003	.000	.342	12.380	.000

a. Dependent Variable: Treasury Single Account

R $=$ 0.342

$R^2 = 0.457$

F $=$ 153.254

Interpretation

Model Summary

R is the correlation coefficient which has the value of 0.342 indicating that the linear correlation is positive and weak between the dependent variable and the independent variable.

R-square is the coefficient of determination of the correlation which has the value 0.457 i.e 46% approximately. This means that 46% is the total variation in the dependent variable Treasury Single Account explained by the Public Financial Management.

Coefficient of the Regression Model

It shows the effect of independent variable on the dependent variable. The B value under unstandardized column indicates an increase in the value of dependent variable for each unit in predictor variable and the regression model is fitted as;

Y = 4.152 + 0.003x

ANOVA TABLE

P-value $=$ 0.001

α-Level $=$ 0.05

Decision rule: Reject null hypothesis if p-value is less than α-Level otherwise accept H_0

Conclusion

In the analysis, the p-value (0.001) is less than α-Level (0.05) we reject the null hypothesis and conclude that Implementation of the Treasury Single Account System has significant effect on Public Financial Management in Nigeria.

Test of Hypothesis Three

Statement of the hypothesis in both null and alternative forms

The hypothesis is restated in both Null and Alternative forms as follows:

H_0:   There is no positive significant relationship between the implementation of the Treasury Single Account System and Economic Growth and Development in Nigeria.

H_1:   There is positive and significant relationship between the implementation of the Treasury Single Account System and Economic Growth and Development in Nigeria

Multiple Regression Analysis

Model Summary

Model 1	Multiple R	.935
	R Square[a]	.874
	Adjusted R Square	.874
	Std. Error of the Estimate	1.580

a. Predictors: (Constant), Economic Growth and Development
b. Dependent Variable: Treasury Single Account

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Equation 1	Regression	20119.350	1	20119.350	8057.047	.000
	Residual	2894.153	1159	2.497		
	Total	23013.503[a]	1160			

a. Dependent Variable: Treasury Single Account
b. Predictors: (Constant), Economic Growth and Development

Coefficients

		Unstandardized Coefficients		Beta	t	Sig.
		B	Std. Error			
	(Constant)	2.941	.033		118.572	.000
Equation 1	Economic growth and	.030	.000	.935	89.761	.000
	Development	.017	.001	.916	61.547	.000

Source: Researcher's output (Spss 23)

Multiple R = 0.935

$R^2 = 0.874$

F = 8057.047

Interpretation

Model Summary

Multiple R is the multiple correlation coefficient that has the value 0.935 indicating that there is a high positive relationship between the dependent (Treasury Single Account) variable and the independent variables (Economic growth and development).

R-square is the coefficient of determination for multiple regression, the correlation value is 0.874 i.e approximately 87%, which shows that 87% is the total variation or proportion of variability in the dependent variable Treasury Single Account explained by the models Economic Growth and Development.

Coefficient of the Regression Model

It shows the effect of independent variables on the dependent variable. The B value under unstandardized column indicates an increase in the value of dependent variable for each unit in predictor variables and the multiple regression model is fitted as;

$Y = 2.941 + 0.030x_1 + 0.017x_2$

ANOVA TABLE

P-value = 0.001

α-Level = 0.05

Decision rule: Reject null hypothesis if p-value is less than α-Level otherwise accept H_0

Conclusion

In this analysis, the p-value (0.001) is less than α-Level (0.05) we reject the null hypothesis and conclude that there is significant relationship between the implementation of the Treasury Single Account System and Economic Growth and Development in Nigeria

Test of Hypothesis Four

Statement of the hypothesis in both null and alternative forms

The hypothesis is restated in both Null and Alternative forms as follows:

H_0:   There are no significant challenges encountered by Nigerian Ministries, Department and Agencies in the Implementation of the Treasury Single Account System

H_1:   There are significant challenges encountered by Nigerian Ministries, Department and Agencies in the Implementation of the Treasury Single Account System

Analysis of Variance (ANOVA)

Method= Oneway
Factors =Responses
Alpha = 0.05

Descriptive

Responses on Treasury Single Account challenges encountered by MDAs

Responses	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Weak	4	1.5000	.57735	.28868	.5813	2.4187	1.00	2.00
Fairly Strong	11	3.3333	1.61433	.46602	2.3076	4.3590	1.00	5.00
Strong	374	127.4171	64.55725	3.33818	120.8531	133.9811	20.00	187.00
Very Strong	771	178.9533	43.30466	1.55958	175.8918	182.0148	45.00	206.00
Total	1160	159.9251	59.21593	1.73789	156.5153	163.3348	1.00	206.00

Source: Researcher's output (Spss 23)

Mean Report
The table above shows the descriptive statistics of the respondent on the challenges encountered by Nigerian Ministries, Department and Agencies in the Implementation of the Treasury Single Account System. The total number of respondents that said the challenges is weak = 4 with mean value 1.50, 11 said is fairly strong with mean value 3.33, 374 respondents with mean value 127.42 said the challenges is strong and 771 respondents with their mean value 178.95 said the challenges encountered is very strong. From the results, the number and mean value of respondents that said strong and very strong is high than the weak and fairly strong ones. This is to show that Nigerian Ministries, Department and Agencies experienced or encountered challenges in the implementation of TSA system in Nigeria based on their responses.

ANOVA

TSA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1069035.564	3	356345.188	137.498	.000
Within Groups	2998534.916	1157	2591.646		
Total	4067570.481	1160			

Source: Researcher's output (Spss 23)

ANOVA Interpretation

P-value	α-Significance Level	F-statistic value
0.001	0.05	137.498

Decision rule: Reject null hypothesis if p-value is less than α-Level otherwise accept H_0

Conclusion: In the ANOVA output Table, with the data under the study p-value (0.001) < α-Level (0.05), therefore the stated null hypothesis should be rejected and thus; there are significant challenges encountered by Nigerian Ministries, Department and Agencies in the Implementation of the Treasury Single Account System in Nigeria.

5. CONCLUSIONS

The study focused on the implementation of the Treasury Single Account System on Public Financial Management in Nigeria. Treasury Single Account is a financial policy in use in several countries all over the world. It was introduced by the federal government of Nigeria in 2012 to consolidate all inflows from all agencies of government into a single account at the Central Bank of Nigeria. This study provided additional evidence that TSA implementation is beneficial to public sector accounting in the country. However, it is important to take steps to address the short-term challenges that may arise from its implementation. TSA has significantly affected the improved performance of federal government MDAs which goes further to confirm that TSA is

capable of blocking the financial loopholes in revenue generation and promoting transparency and accountability in the public financial system.

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