Impact of Public Sector Auditing in Promoting Accountability and Transparency in North Central Zone of Nigeria

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Abstract:
The gap in confidence between the citizens and elected officials in Nigeria forms the background of this study. As such, financial and performance audit was examined on accountability and transparency among North Central states of: Benue, Kogi, Kwara, Nassarawa, Niger, Plateau and FCT. The specific objective of the study is to determine to what extent the audit of the public sector helps to narrow this gap in confidence between the activities of elected public officials and the citizens. Spearman regression analysis was used in the study. Result showed that both financial audit and performance audit is statistically significant in explaining accountability and transparency among the states. As such, strengthening the audit process in respective states is mentioned as one of the recommendation.

Keywords: Public Sector, Audit, Accountability, Transparency.

Introduction
The problem of public accountability and transparency has continued to generate heated distrust between public officers/officials and the general public in Africa. To say the least, the continent is not alone in this aspersion as other continents like that of Asia, some parts of Europe and America recorded some form of public distrust but, at a minimal volume compared to that of Africa (Aradottire & Hjalmarsson, 2018; Liu & Lin, 2021).

At the centre of Africa’s public sector accountability and transparency issues is Nigeria, which is regarded according to Adedeji, Soyinka and Sunday (2018) as one of the most corrupt nations. This is so because, public office holders tend not to be seen to perform their responsibilities without any form of personal gratification or another (Adedeji, et al 2018). In fact, most public offices hardly make financial information available for public consumption. When they are made available, public perception is that, it is distorted to suit self and cronies.

To be seen as accurate, transparent and ensuring accountability, Wisdom (2017) opined that public sector in the country requires proper auditing in order to show transparency and accountability. In order words, auditing serves as the tool by which transparency and accountability of public sector can be enhanced (Aradottire & Hjalmarsson, 2018). Basically, auditing represents an independent process through which an unbiased, objective assessment, transparent and fair reporting of affairs of the public sector can be ascertained.

Suggested Citation
Thus, there is a strong synergy between public sector auditing, accountability and transparency. The Institute of Internal Audit (IIA) (2016) opined that, public sector auditing is a tripartite union whereby the principal (citizens), agent (public office holders) and the auditor (independent) are all in the know of the report. In order words, the auditor is expected by the principal to give an independent, objective, evaluation, detection, accuracy, fair and unbiased reporting of the affairs, with which the agent used/committed to use, the resources of principal.

In Nigeria, the issues’ surrounding public sector accountability and transparency it’s often taken with levity. All though, most audited reports produced by the agent are often subjected to public criticism. Specifically, the principal believes that there are, most often, collaborations between the independent auditor and the agents to deceive members of the public. This is especially so when, most often, budget and its implementation does not reflect reality on ground.

To further ensure accountability and transparency in this regard, it is essential that light is beamed in this direction, especially, as the country draws nearer to a new dispensation when new agents will be appointed across line and files of public offices. As a consequence, the study seeks to unveil the presence or otherwise of the impact of public sector auditing and how it has helped promote accountability and transparency in Nigeria. More importantly, emphasis of this impact will be the North Central (NC) zones of the country. The choice of this zone is that it is often misconstrued as a zone that places less emphasis on accountability and transparency in the public space in the country. Thus, structurally, the study will be of five divisions. After this, is the literature review, methodology, results and conclusion.

**Statement of Problem**

The outcry of the incongruous relationship subsisting between the citizens and the elected officials has never been highly debated in the history of this country. Generally, there are many problems confronting transparency and accountability in Nigeria, among them are, citizens distrust, the awakening expectations of the responsibilities of its elected officials, plus elusive accountability and transparency mismatch is counted among varying problems bedeviling the public office holders and its citizens. On another hand, inability to justify most publicly voted funds with physical economic realities is another.

Ironically the percentage of studies with corroborated documentations with the aforementioned observations but, with support to accountability and transparency provided through the instrument of audit far outweigh the opposite. For instance, Hanskamp-Sebregts, et al. (2020), Shbeilat (2019), Ozuomba (2019), Ibironke (2019), Adedeji et al (2018), Ogundana et al (2017) are among authors with summation of the significant relationship subsisting between the importance of public sector audit and accountability and transparency.

If the existence of support for auditing to provide accountability and transparency in the public sector is settled in the literature, then, why are there still much distrust between elected public holders and the general citizens regarding overall financial and performance stewardship delivery? This cardinal question guides the phenomenon to which this study intends to unravel in Nigeria. However, the point of emphasis is the North Central (NC) of the Federation owing to its perceived inherence poor accounting and transparency practices.

**Objective of the Study**

Based on the statement of problem, the main objective of the study is to examine the impact of public sector auditing in promoting accountability and transparency in north central zone of Nigeria.
While the subsidiary objectives are:

1. To examine whether financial audit promotes accountability and transparency of NC states in Nigeria.
2. To determine the extent to which performance audit influences accountability and transparency of NC states of Nigeria.

**Research Questions**

The following questions are raised:

1. Does financial audit promote accountability and transparency in NC states in Nigeria?
2. What form of influences exists between performance audit and accountability and transparency among NC states in Nigeria?

**Hypotheses**

1. Ho: Financial audit has no significant impact on accountability and transparency in NC states in Nigeria.
2. Ho: Performance audit does not influence accountability and transparency in NC states in Nigeria.

**Literature Review**

**The Concept of Audit[ing]**

Historically however, Antipova, (2016) observed that the concept of audit may not be unconnected to the Latin word audire. Audire, in Latin means to listen to or hear. As of practice then, an official stand in an open glare to read out activities (records) which has been compared with another for the basis of verification, validation and approval by the majority. In the process, the people listen to hear whatever the officer is about to read in order to validate or invalidate his report. Specifically, it serves as a means of appraisal to those who have been placed in the position of responsibility. This act later graduated into some other parts of Europe especially United Kingdom as a sign to detect accountability and transparency on the part of the ruling monarch. Worthy of note is also the fact that, the concept audit permeated the Chinese Empire (the Zhao Dynasty) and that of Egyptian scribes around 300 BC, where, the latter is regarded as an accountant that oversees and render account of economic activities of the then empires. In Europe also around 1494, when the Famous Italian mathematician Luca Pacioli developed the basic double entry principles, there was further motivation towards making accountability part of responsibility that is entrenched in auditing. Essentially, today, it became audit, where an independent officer is allowed to inspect, harmonize and detect records misrepresentation in the public works.

According to American Accounting Association, auditing is described as a ‘systematic process of objectively obtaining and evaluating evidence regarding assertions about economic actions and events to ascertain the degree of correspondence between those assertions and established criteria and communicating the result to intended users’ (Hyytinen & Kallunki, 2014; Antipova, 2016).

Similarly, according to United Kingdom Financial Reporting Council (FRC) cited in Shbeilat (2019), describes auditing quality as its ‘involves obtaining sufficient and appropriate audit evidence to support the conclusions on which the audit report is based and making objective and appropriate audit judgment. A quality audit also involves the appropriate and complete reporting by the auditors, which enables the Audit Committee and board properly to discharge their responsibilities.’

Auditing is also defined in Auditing Practices Board as ‘ an audit of financial statements is an exercise whose objective is to enable auditors to express an opinion whether the financial statements give a true and fair view (or equivalent) of the entity’s affairs at the period end and of its profit or loss for the period then ended and have been properly prepared in accordance with the applicable reporting framework like relevant legislation and applicable accounting standards or where statutory or other specific requirements prescribe the term “present fairly”.

Further, audit is also seen as the ‘examination of and expression of opinion on the financial statement of a big enterprise by an appointed auditor in compliance with his term of
engagement and in compliance with relevant statutory and professional requirements’, according to the International Auditing Practices Committee (IAPC) definition.

Accountability in Public Service

Literally, accountability presupposes that, in the ordinary cause of service, any person, to whom is appointed or elected, to carry out assigned tasks or obligations, is expected, with every sense of responsibility, caution, duty and responsibility, exercise his or her powers of appointment or election in a manner seen to be true, fair and transparent to the generality of the populace.

Takaya, (1989) and Adegbite, (2009), Ujah, (2010) all described the concept of accountability in similar fashion. Particularly, Adegbite, (2009) says it is the demonstration of work done by an officer in accordance to set rules, regulations and standards by providing fair, true accurate and transparent results as a show of performance. Ujah, (2010) believes it is when an individual answers to his actions and inactions regard responsibilities he/she is assigned. In fact, he went further to state that accountability and transparency are corollary of one another.

IIA, (2012), went further to say that accountability in public sector is the ‘process whereby each domain in the public sector plus those saddled with its functional responsibilities, through daily decisions and actions, are obliged to render the accounts of all their stewardship including performance, and submit themselves for external scrutiny or appraisal’. This description is not also contradictory to what Assakaf, Samsudin & Othman, (2018), Nurdiono & Gamayuni, (2018); Udeh & Ulom, (2016), Termini (2010) and, calls public accountability.

However, Orji (2010) differ slightly in the concept of accountability as it relates to the public sector. Particularly, he opined that public sector accountability goes beyond rendering of stewardship of the officers owing to the complexities that are found in the running of the affairs of the public sector. Essentially, he explained that it becomes pretty difficult for those (third party), who were not ordinarily involve in the running of the activities to actually have full grasp of whatever decisions and intricacies involve while they are rendering the stewardship of their actions. In this wise, he believed that accountability in public sector goes just beyond rendering of stewardship owing to these complexities.

The Concept of Transparency in Public Sector

The concept of accountability and transparency is corollary as observed in (2016). However, the term transparency in public audit represents act of openness of records of accounts, books and transaction of units that makes up the public sector constituency. It is simply exemplified in what is called ethics of good governance, where facts and figures are disclosed as they were used, to all stakeholders. That is, every action, decisions, resolutions, transactions are expected and must be conducted openly for all stakeholders to see. Some of such measures that aid the transparency of the Nigerian public sector especially that of Kogi State, are the establishment of institutions and laws like public procurement law and some other ones basically design for the purpose of public sector transparency. And that, the activities of the units and general council are seen as been transparent.

General Classifications of Audit

Because audit exist to track and confirm a whole range of activities along diverse entities and even sub-entities (public and private), it becomes imperative that there would exist as many forms of audit classifications or types leading to the conduct of audit. It is worthy of note also that most of these classifications or types overlap in the sense that, what it is called in one clime differs in another (Udeh, 2016; ACCA, 2015; Soyemi, 2014; IIA, 2012; Orji, 2010). The underlisted are examined.

a. Classification by nature of Work

Here auditing is classified by the nature of audit to be performed by the auditor. Basically, these include:

i. Internal audit: An internal audit is conducted by an internal auditor, who is
employed by the organization to oversee whether operations are carried out in tandem with laid-down compliance principles and in accordance to management and board stipulations, especially of the controls set in place for his responsibilities. Internal audit create room for independent appraisal of activities within the entire system and its sub-systems.

ii. **External audit:** As the opposite of internal audit. An external auditor is not an employee of the organization. Rather he is an independent accredited organization, who is consulted for the purpose of carrying out audit and charges fees, to the responsibilities to which he/she is assigned. Like that of the internal audit, the external auditor as well is saddle with similar responsibility but with wider perspective. He examines the overall operations and financial statements including that of the internal audit prepared by the management and submit same to the owners of the organization. Often, the external audit is performed based on statutory provision and on private engagements.

iii. **Statutory/Public audit:** This audit is backed by law. That is, this audit is carried out in compulsion as stipulated in the laws of the land. For instance, the Company and Allied Matters Acts as amended, as well as the constitution, makes it mandatory for all incorporated companies under the Act to carry out audit every financial year-end, and as well as the public sector through the office of the Auditor-General of the Federation (Udeh, 2016).

iv. **Private audit:** Unlike the statutory audit, that of the private audit is not required by law. It is only at the prerogative of the appointee responsible for the appointing the audit for specific audit.

b. **Classification by Audit Approach**

Under the approach to audit, the audit is looked at from the underlisted perspective.

i. **Continuous Audit:** Mostly, continuous audit is the audit that is carried out on a day-by-day basis by the internal auditor to determine whether functions and operations goes in line with stipulated procedures within the system. Also, sectors, organizations, units or sub-units with large volume of economic activities often tend to lay emphasis on continuous audit to keep track of deviation in functions and operations. Although, scholars, such as Soyemi, (2014) observed that continuous audit has several disadvantages such as: disruption of work flow, over-auditing, unnecessary staff familiarity among others.

ii. **Interim Audit:** For the purpose of possible detection or misrepresentation of workflow activities, the interim audit often comes to play. Accordingly, this is usually for specified period less than the regular year-end audit period. The essence is to ascertain the accuracy, reliability, and validation of audited accounted in the interim.

iii. **Final Audit:** Unlike the interim and continuous audit, the final audit represents the complete audit carried out at the financial year-end of the organization or the sector where all books of accounts are closed.

iv. **Compliance Audit:** This is also called regulatory audit. It is audit carried out to ensure that expenses are incurred on approved expenditure and that it is in compliance with what has been statutory provided for. Its major concern is to identify whether protocols laid down are been followed.

v. **Procedural Audit:** In compiling the final accounts, the procedural audit ensures that internal procedures and records are recorded or documented in a manner that is reliable. Specifically, it entails that internal control system is not bridge amidst all laid-down protocols.

vi. **Value-for-Money Audit:** Another name for value-for-money audit is performance audit. The emphasis here is to ensure that the public get the best value in resources utilization. It is used to ensure that identified activities purportedly carried out by the elected or appointed officers meet its value and in the best manner possible, especially in cost.

vii. **Financial Position Audit [FPA]:** The FPA is used to verify the assets, liabilities and capital of the organization by identifying items with their underlying records and source documents. Its essence is to make sure that there
are no discrepancies in the financial statement and other accounts and records.

c. **Common Public Sector Audit**

While public audit has affiliations with the aforementioned audit types and their respective classification, three main types of audit are peculiar to public sector audit. According to the International Standards of Supreme Audit Institutions [ISSAIs], (2018), three main audits are common in the public sector domain. Ibironke, (2019), Udeh, (2016), Orji, (2010) also alluded to this fact in their respective affirmation. Specifically, they observed that three main audits are often carried out in the public sector namely; the financial audit, performance audit and the compliance audit. All of these have been explained in the above classification of audit.

**Theoretical Review**

There are numerous theories that have discussed the issues relating to accountability and transparency (Ibironke, 2019, Shbeilat, 2019, Udeh & Elom, 2016). Some of these theories are: agency theory, lending credibility theory, policeman theory, contingency theory, stewardship theory, inspired confidence theory, and institutional theory (Ibironke, 2019; Edeh & Elom, 2016).

Specifically, some of these theories have explained the need to examine accountability and transparency either as a separate concept meant to show individual innate morals, ethical compliance and professionalism. Some other as well examined it from the perspective of security, – for instance, the policeman theory. Others simply discussed the relevance of accountability and transparency as a joint expectation – a tripartite arrangement. This is as in the case of agency theory upon which the study anchors its theoretical underpinning. However, the relevance of other theories is also explained in the study.

**Lending Credibility Theory**

According to Boldbaatar, et al (2019) Aradottir and Hjalmarsson (2018), this theory is hinged on the credibility of the report that is provided by the process of auditing. In order words, public perception as to the creditability of the report is a factor to be considered as far as lending credibility theory is concerned. Further, lending credibility theory synergizes information asymmetry between the firm and other stakeholders such as the government, stockholders, creditors and other external users of the report. In essence, information in the audited report brings to bear such credibility that all stakeholders see the information as fair and true representation of the firm or the institution being audited (Boldbaatar, et al, 2019; Aradottir & Hjalmarsson, 2018). Similarly, the theory of lending credibility theory is believed to be postulated by Regnar Norberg in around 1918 (Ibironke, 2019; Edeh & Elom, 2016).

**Contingency Theory**

Ibironke (2019) observed that the essence of contingency lies on actions brought about by internal or external (contingent) factors, which the firm, organization or the institution must always act upon to stabilize management and day-to-day operating activities of the firm. In essence, this theory gives room for flexible actions that may occur in the process of rendering stewardship (Ibironke, 2019; Aradottir & Hjalmarsson, 2018).

**Stewardship Theory**

This is another theory which is linked with the central theme of this study. Literally, as the name implies, stewardship is about rendering stewardship of work done by executive of a formal organization. Though, this theory is practically linked to the debate of intrinsic motivation to work for others, which could be seen as in the case of services rendered in public organization. Thus, stewardship theory opined that any person chosen to serve in a particular capacity has the mandate to rendered his/her uncompromising attitude, in the general best interest, to the services to which he or she is committed (Ibironke, 2019).

**Institutional Theory**

This theory recognizes the importance of social structure and view activities from the aspect of human culture, attitude, norms, routines as it becomes established in the course of the societal
development (Boldbaatar, et al, 2019; Aradottir & Hjalmarsson, 2018). Invariably, it sees, for example, the position of public service and elected or appointed leaders’ activities as relating to the societal norm or routine that has become entrenched in the life of that society.

In other words, the concept of institution is heavily polarised as there is no one single and acceptable definition (Udeh & Elom, 2016; Orji, 2010). However, it is essential that institution is viewed from the practical perspective of established or a newly emerging sociological perspective or certain class, group or society. Prior the established corrupt society in Nigeria, the country had earlier been viewed as a corrupt free country recent time when it has, indeed, become endemic (Ibironke, 2019).

**Policeman Theory**

This is another form of theory relevant to the central theme of this study. As its name suggest, it proposes that, expected or audited account is meant to be provided for in accordance to expected rules of the game. Thus, the auditor (who is the expected provider of the report), is responsible for searching, discovering and preventing any fraudulent activity. This theory was developed around 1920s by the Dutch professor Theodore Limperg (Ibironke, 2019; Abd Aziz, et al, 2015). In other words, it is in the known that the auditor is expected to detect fraud or any other anomaly in the financial report. When this is the case then, it will be in the general known that the auditor has performed his/her duty responsively and reasonably well as well. This is what will instill confidence in the affairs of the company and improve further financial dealings and activities with the firm (Hanskamp-Sebregts, et al 2020).

**Agency Relationship Theory**

Historically, Jensen & Meckling, (1976) cited in Ibironke, (2019), are credited with the initial demonstration of the meaning and how the agency relationship theory works. Accordingly, it is simply the relationship that subsist between the principal and the agent or simply owners and management. As such, the principal/owner, in this case, the citizens transfer his/her inalienable rights or responsibility to the agent (elected public officers/managers), who shall exercise, within the powers giving to him/her, and in accordance to the rule of law as prescribed and, or constitutional mandate, his/her responsibilities/duties or functions, to the best of his/her knowledge, perform the assigned job to the best of his/her ability for a specified period/time/tenure. And, who shall by the expiration of period/time/tenure, render accounts or stewardship, which must be seen to be true, transparent and without any recourse to doubt that he has benefitted privately (outside the agreed operational codes) from the responsibilities to which he was assigned. By implication, the agent is expected to render the accounts of the responsibility assigned to him at the end of the period. However, in a bit to ascertain the truthfulness of accounts/stewardship rendered by the agent, the principal, with the aid of independent party (called the auditor), inspects the truthfulness or otherwise of the documents for clarity. For this reason, in Nigeria and, indeed in North Central States, the public sector officers are regarded as the agents of the populace – citizens (i.e. principal), and are expected to render the account of their stewardship to the public and such accounts must represent the truth to which the assigned duties have been performed. Thus, members of the public demand’s accountability and transparency from members of the public offices and officers (Hanskamp-Sebregts, et al 2020).

**Empirical Review**

The study relating to the impact of public sector performance had gain prominence in public finance management discourse globally. This essence stems from the fact that; a well-managed public service is a reflection of the development of the society. Basically, Liu and Lin, (2021), Hanskamp-Sebregts, et al (2020); Ibironke (2019), Boldbaatar, et al (2019); Aradottir and Hjalmarsson (2018), Udeh & Elom (2016), Abd Aziz, et al, (2015) and many more are some of the authors that have studied the link between public sector auditing in several dimensions. Also, the examination of the central theme had been observed in various countries and region.
with varying constructs and dimensions and, with, also, different methodology, results, conclusions and recommendations.

For instance, Liu and Lin (2020) study emphasized auditing and corruption in China. Panel data was used from 1999 to 2008 and, data sourced was from China’s provinces. Findings of the study showed that government audit is positively significant in detecting irregularities in the provinces examined. As such, it was concluded that corruption in China is province specific. In essence, the more corrupt prone a province, the more irregularities inn governance.

Srairi (2019) examination of transparency was in the banking system among the Gulf Cooperation Council countries for a three years period (2013-2016). A transparent index based on several international regulatory documents using the content analysis was conducted. Random-effect GLS result was adopted from the Panel data result. Findings showed wide variation in terms of disclosure.

Hanskm Sebregts, et al (2020) study also examined the role of internal auditing in providing transparency in Netherlands hospitals. Accordingly, the study attempted at examining whether the provision of internal audit to the inspectorate of otherwise can influence the quality of operations at the hospitals. Again, using the interview instrument, they concluded that, internal audit can be a reliable tool in providing necessary information for the greater good of the hospitals.

Similarly, Aradottir and Hjalmarsson (2018) study concentrated on Iceland. However, this time around, it was a case study of Carbix. The essence of the study was to affirm the importance Carbix played in stakeholders’ engagement as to its operations within the located area in Iceland. Basically, they observed that the open role of transparency solidified the further acceptance of the presence of the company public acceptance.

In Nigeria, Egbunu and Egbenuke (2017) examined the challenges faced by internal auditors in the public service in South-East. Using the survey method and drawing respondents from the accountant-general and auditor-general of the zone, the independent samples Mann-Whitney U test analysis technique was used. Finding from the measures used showed that some variables such as: audit independence and compliance were of more concern to the performing his duties while, that of improper segregation of duties was of less concerns.

Ibironke (2019) examined the generality of internal audit and the extent of corruption in Nigeria public sector with emphasis on Lagos state, Nigeria. Questionnaire formed the instrument of data gathering and multiple regression analysis was used for data analysis. Findings showed that quality of internal audit has significant impact on corruption i the public sector in Lagos state.

**Methodology**

**Research Design**

The nature of the variables gathered informed the use of the expo facto research design for this study. Expo facto is a form of non-experimental design employed for ascertaining relationship among circumstance and event. It suitability allows a researcher to draw from the previous experiences of issues from respondents for the purpose of determining the present circumstance of event. As such, questionnaire is used in eliciting responses from public officers from the North Central Zones of Nigeria. The choice of respondents is purposeful, based on concerned group directly involved in finance, account and audit responsibilities across state secretariats in the zone. In other words, data are sourced from ministries of finance, account departments and the audit units. Similarly, Pearson movement correlation coefficient is used to ascertain the association subsisting between the use of auditing as a tool of accountability and transparency in the public sector. Again, the choice of Pearson correlation coefficients allows the researcher to ascertain whether a positive or negative association is found in the specified variables and why. To
achieve all of this, the study scope covers the present dispensation period (2019-2022).

Sources of Data

The data for this study are sourced from both primary and secondary sources. The former involves the use of interview and structure questionnaire, where participants were asked to respond to a series of questions that will form the basis of the study’s analysis. Similarly, the latter involve the use of existing materials relevant to the study such as articles from local and international journals, textbooks and the internet. Above all, primary data source forms the main source to which this study estimation relies.

Population of the Study

The North Central comprises of seven states. They include: Niger – 3,954,772, Kogi – 3,314,959; Benue – 4,653,066; Plateau – 3,206,531; Nasarawa – 1,869,377, Kwara – 2,365,353 and FCT – 1,405,201, according to National Population Census of 2006. Apparently, there exist seven state secretariats. Based on the number of staff strength per state, with emphasis on account and audit departments, there are a total of one hundred and twenty-six (126) workers across the seven states. However, for technicality and ability to proffer credible and informed answers to the questions that will be posed, the study used high level professionals/personnel of the state audit departments. As such, seven Auditor Generals of each of the states will be used. They are believed to be informed professionals with capability to provide quality evidences to our study. In essence, listed below are the six auditor general excluding that of Abuja.

<table>
<thead>
<tr>
<th>States Auditor General</th>
<th>States Auditor General</th>
<th>No. of Staff Audit/Account</th>
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<tbody>
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<td>Benue</td>
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<td>Kogi</td>
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<td>Abdulganiyu Sanni</td>
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<td>FCT</td>
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Source: Author’s compilation

Sampling Size Determination

As of a rule, a sample size is used to determine the study number that will be suitable for optimal representation. Thus, sample size is often predicated on N > 30. That is, overall population leading to sampling selection. However, sample size may also be N < 30. This size, though, may constitute some technical outcome, but its usage is allowed especially when sampling manipulation is forbidden. The spearman correlation regression is used in determining the impact of the independent variables over the dependent variable.

Validity of instrument

To also ascertain the rightfulness of tool of adoption, the study performed validation test. As such, content validation, criterion and construct validation are conducted. Thus, content validation is used as a means to determine the appropriateness of wordings (content) in relation to the study objectives and instruments (Ozuomba, 2019; Adedeji et al, 2018; Kothari & Gaurav 2015; Baridam, 2001). By implication, the study requested the assertions, opinions and contribution of scholars in the field both of the professionals and the academia. The essence of this was to ascertain the extent of coverage, study design...
appropriateness, sufficiency and efficiency of all measures in the study.

Reliability Test of Instruments

By implication, the researcher, in the cause of the study determined the consistency or precision of the measures (variables) adopted for the study. One of the ways to ensure consistency of variable measurement is to ascertain the consistently reproducible of data. This is to ensure that the data indeed measured what it intended measuring. To determine the acceptability of this condition, the Cronbach Alpha is often employed. In other words, a Cronbach Alfa coefficient of between 0.6 and 0.7 is often advocated for precision acceptability. However, some studies claimed a 0 to 1 measured may also be considered appropriate (Kothari & Gaurav, 2015, Brace, Kemp & Snelgar, 2003, Salvatore & Reagle, 2011). Owing to assumed study sensitivity, the internal consistency for this instrument is expected to be high.

Method of Data Analysis

The study adopted the use of the Spearman correlation coefficient regression technique. The spearman allows for determination of which of the variables is considered significant based on ranking methodology. Usually, the Spearman regression is depicted (Rho) or (rho) and assumes any value from -1 to +1 indicating perfect correlation and, 0 as no relationship between the hypotheses stated. A -1 +1 test of the hypothesis tells of the type of relationship existing between H₀ and H₁ while a 0 shows no relationship. This immediately tells us of the kind of error that is committed while we either reject or accept the alternative hypothesis. In our case the Likert scale as stated earlier will be used to ascribe weight in the sequence based on the technique stated. For Likert scale, it allows the respondents to agree or disagree with a series of statement by classifying the respondents according to Sex, Age; Marital Status, status among others. To achieve this objective, the statistical packages for social science version 23 software will be used to carry out the analysis.

The Spearman correlation coefficient regression is derived as:

\[ r_s = 1 - \frac{6 \sum d^2}{N^3 - N} \]  

where:
\[ \sum d^2 = \text{sum of the squared difference in the ranking of the subject on the two variables.} \]
\[ N = \text{number of subjects being ranked.} \]

Results and Discussion

Data Presentation

This section will elucidate on how data collected for the purpose of the study is analyzed and interpreted based on the methodology specified in chapter three.

<table>
<thead>
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<th>Organization</th>
<th>Number Distributed</th>
<th>Number Returned</th>
<th>Number of Correct Entry</th>
<th>% of Correct Entry</th>
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<td>1</td>
<td>100</td>
</tr>
<tr>
<td>Plateau</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td>FCT</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Survey Data 2022
Owing to the peculiarity associated with sourcing vital data/information needed for the study, direct concerned groups were used. Presented in Table 2 are the administered questionnaires are the summary of responses.

**Descriptive Statistics**

This describes basic information regarding the demographic characteristics of the respondents, the age at work and their educational level.

The educational level pointed out in the figure 2 showed that all identified respondent have attained all academic/professional level qualification.

**Analysis**

**Test of Reliability**

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>Cronbach’s Alpha Based on Standardized Items</th>
<th>No of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.867</td>
<td>.967</td>
<td>4</td>
</tr>
</tbody>
</table>

**Source:** Author’s computation

The study reliability test as indicated by the Cronbach Alpha summary. It shows an internal consistency of the data. As mentioned, ab initio, the Cronbach Alpha is considered most appropriate statistical test for this purpose - reliability. Its values range between 0 to 1; as such, as indicated by the Alpha result in the table above, the internal consistency of the data is high (as expected = .967) compared to the generally presumed acceptable value of .70. This result however follows the traditional rule of thumb of Alpha 0 ≤ 1.

**Test of Hypotheses**

**Hypothesis One:**

H01: Financial audit has no significant impact on accountability and transparency among NC States in Nigeria.

**Table 4. H01 Correlations Result**

<table>
<thead>
<tr>
<th>Spearman's rho Correlation Coefficient</th>
<th>FAd</th>
<th>AT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sig. (2-tailed)</td>
<td>.100</td>
<td>.810**</td>
</tr>
<tr>
<td>N</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>AT Correlation Coefficient</td>
<td>.810**</td>
<td>1.000</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.</td>
</tr>
<tr>
<td>N</td>
<td>7</td>
<td>7</td>
</tr>
</tbody>
</table>

**Source:** Author’s compilation (2022)

**Figure 1. Demography Characteristics**

*Source:* Author’s computation, (2021)

The figure above represents the distribution of the ages of the respondents. Equal age level is found in the rage of 31-40, 51-60 and 61-70. The rage has no female age representation.

**Figure 2. Educational Level**

*Source:* Author’s Computation (2022)
The null hypothesis of no significant impact of financial audit on accountability and transparency is rejected based on the result showed in Table 2. Clearly, the correlation is positive and statistically significant in explaining public audit. Thus, since the significant result is below the 0.05 percent level, which, in this case, is 0.000, the study hereby rejects the null and accept the alternative. In this wise, what this imply is that a positive and significant relationship exist between financial audit among North Central states that brings accountability and transparency of financial transactions. Likewise, the extent to which this can be determined is also depicted in the rho = 0.810. What this mean is that the level to which financial audit is impacted via accountability and transparency practices among North Central states is to the tune of 81 percent.

Hypothesis Two:

H02: Performance audit has no significant impact on accountability and transparency among North Central States in Nigeria

<table>
<thead>
<tr>
<th></th>
<th>PrfAd</th>
<th>AT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman's rho</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PrfAd</td>
<td>Correlation Coefficient</td>
<td>1.000</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.001</td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>AT</td>
<td>Correlation Coefficient</td>
<td>.586**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.001</td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>7</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.05 level (2-tailed).

Further, hypothesis two of no significant relationship between performance audit and accountability and transparency is also rejected. The result showed that, the p-value = 0.001, which falls within the rejection region of 0.05 percent level is not accepted. By implication, it also means that, performance audit influences accountability and transparency among the NC states. Likewise, the correlation coefficient indicate that the level of determination is .586 percent indicating that for everyone percent increase in performance audit, accountability and transparency is impacted to the tune of 59 percent.

Conclusion

The study has examined public sector auditing in the promotion of accountability and transparency in the public sector in Nigeria. However, the North Central state of Benue, Kogi, Kwara, Nassarawa, Niger, Plateau and FCT formed the centre of emphasis. Similarly, the study is examined under a five-form structure. That is, from the introduction, literature review, methodology, result and analysis, through to conclusion and recommendation. The study achieved its aim by formulating two hypotheses which were tested in their null form. The result of the hypothesis led the study to concluding that there exists a significant influence between: (i) financial audit impact on accountability and transparency among North Central states public officers and; (2), performance audit influences on accountability and transparency among North Central states public office holders. As such, this conclusion corroborates with earlier studies summation of the significant relationship between public audit and accountability and transparency.

Recommendation

Based on the result and conclusion of the study, the following recommendations are suggested:

1. Each state should as a matter of urgency strengthened the process leading to auditing process in their respective states.
2. Ensure adequate and professional personnel are employed within the rank-and-file of the departments across the state.
3. Ensure precision in audit process through introduction of computerization audit especially, in the area of transparency and accountability.
References


Institute of Internal Auditors [IIA]. (2012). *Supplemental guidance: The role of auditing in public


