

**THE EFFECT OF TREASURY MANAGEMENT ON FINANCIAL
ACCOUNTABILITY OF THE PUBLIC SECTOR. A CASE STUDY OF
OGBIA LOCAL GOVERNMENT**

BY

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**A PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE
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DECLARATION

I declare that this project is based on a study conducted by me, Paul Confidence, in the Department of Accountancy, Bayelsa State Polytechnic, Aleibiri under the supervision of Dr Odogu Laim Isaac. This project report has not been submitted elsewhere for the award of a degree. The idea and views of the research project are products of research undertaken by me, where the ideas and views of other authors/researchers have been expressed; they have been duly acknowledged.

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CERTIFICATION

The project, Corporate Governance Practice and Financial Performance of listed manufacturing firms in Nigeria, meets the regulations governing the award of national Diploma in Accountancy, Department of Accountancy, School of Management Science, Bayelsa State Polytechnic, Aleibiri.

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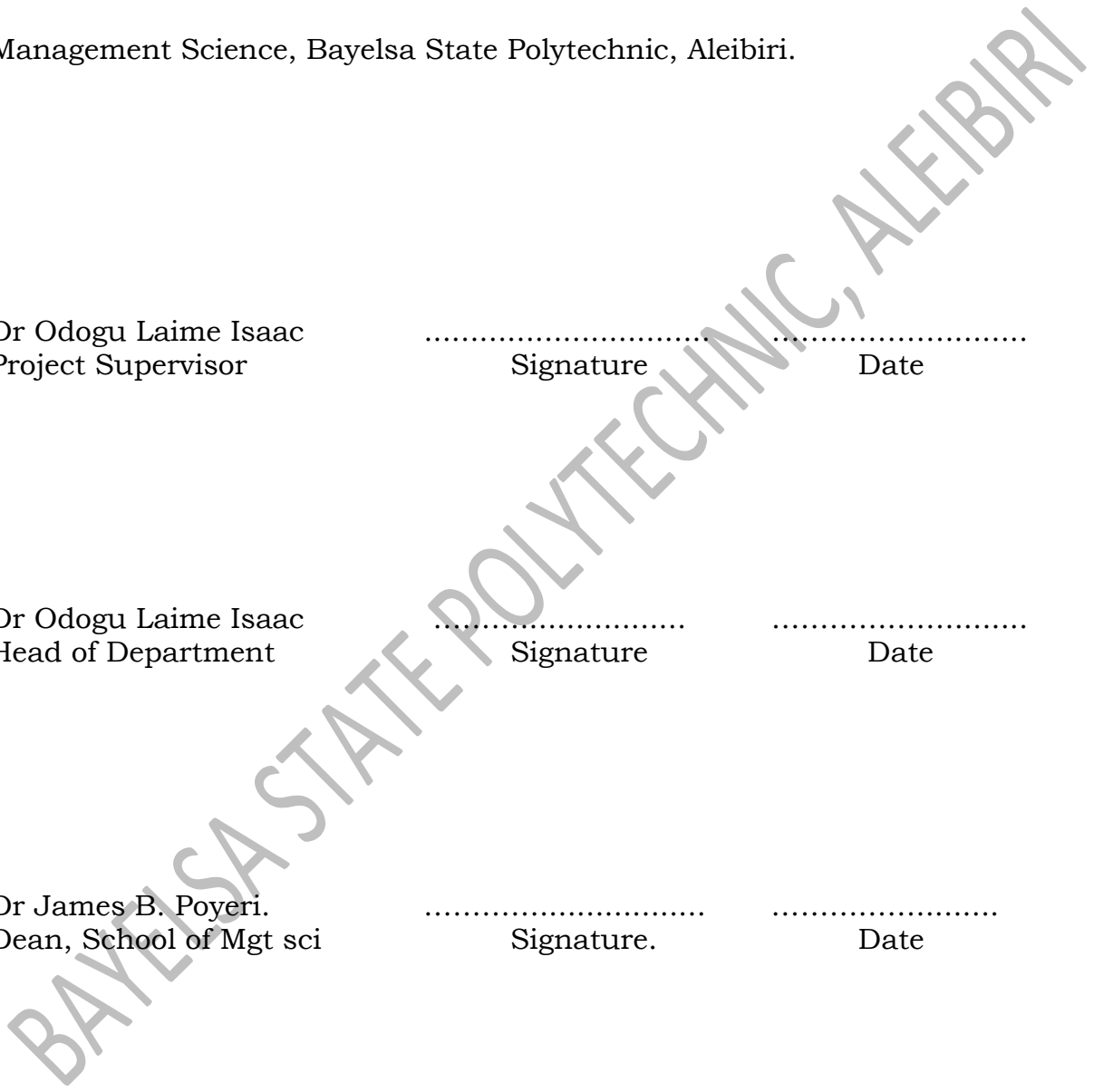
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DEDICATION

This research work is dedicated to God Almighty who empowered and enable me to pass through the whims and caprice in pursuit of the programme.

BAYELSA STATE POLYTECHNIC, ALEIBIRI

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I wish to express my profound appreciation to my able supervisor Dr. Odogu Laime Isaac for his commitment and encouragement in this research work despite his tight schedules.

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ABSTRACT

The study examine the effects of treasury management on accountability in Ogbia Local Government Council within 2010 – 2021

Data on cash management, Budget Implementation, Improved Expenditure Management and Revenue Forecast were collected from statement of income and expenditure and statutory allocation of the Council. The ordinary least square method was used to analyze the data.

The study revealed that all the parameter variables of the study Cash Management, Budget Implementation, Expenditure Management and Revenue Forecast bears the expected positive sign with Treasury Management enhanced accountability. Furthermore, the F. statistics ratio of 310.10 indicates that the model is statistically significant at 5% level. It recommends that government at all the levels should employ expects on treasury management to maintain the treasury to enhance prudence of scale financial resources. Public fiscal policy should be formulated by the Government to stimulate accountability in management of cash. More so, the government should ensure that priority items in the budget estimates are executed. More allocation of fund to treasury department should stimulate project in execution by the government should be made.

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BAYELSA STATE POLYTECHNIC, ALEIBIRI

CHAPTER ONE

1.1 BACKGROUND OF THE STUDY

The Ogbia Local Government Council in Bayelsa State is one of the eight local Government Councils recognized at the federal level of Government in Nigeria. It comprises three major clans namely Oloibiri Clan, Emeyal Clan and Ayama. Geographically the area under study at the southern axis is boundary by Nembe Local Government Area. In the North Eastern hemisphere, she shares a boundary with Yenegoa Local Government Area. While in the north western axis, the area shared a common boundary with southern Ijaw Local Government Area. Also, in the South Western part of the area under Study, she shares a common boundary with Abua-Odual Local Government Area of Rivers State. Hunters, small scale traders and few in the Government Civil Service and private Companies.

Economically, the area has made Nigeria proud as history noted to produce the 1st oil well in 1956 and Commercially sold in 2957. Like any other Local Government Council in Nigeria, Ogbia Local Government Council has witness greater effect in managing it treasury. The observable positive effects are on the area of it cash management, budget implementation, improving expenditure management and Revenue forecast.

According to Nnamochap (2001) Treasury management is an aspect of finance that deals with the management of money accordingly, it is the management planning and control of financial resources of business and Government entity to achieve the objectives. It is important to note that all

levels of Government respectively in democratic governance or Legitimacy is derived from the Citizens.

The refore, the people have to be assured of provision of better programmers by those who manage the financial resources.

Thus, Ogbia Local Government is not exceptional in witnessing the effects arising from proper management of her finances. It is in light of this backdrop that this study is designed to critically examine the effects of treasury management on accountability of resources in Ogbia Local Government Council.

1.2 STATEMENT OF THE PROBLEM

In every Level of Government wastes should be minimized in other to achieve the goals of its establishment.

Thus, every Local Government Council in Nigeria is expected to ensure efficient management of its treasury finances to promote accountability since resources are scarce in relative to the demand of them, every Local Government Council should explore the best ways and techniques to manage their treasury in order to ensure accountability.

In recent years, so many Local Government Councils in Nigeria has witness greater effect in managing their finances.

Thus, Ogbia Local Government Council in Bayelsa State is not exceptional in witnessing the effects arising from managing the treasury financial resources to enhance accountability of that aspect.

1.3 OBJECTIVE OF THE STUDY

The broad objective of this study is to examine the effects of treasury management on accountability in Ogbia Local Government Area. This study will specifically examine.

- i. The effects of cash management on financial accountability in Ogbia Local Government Area.
- ii. The effects of budget implementation on financial accountability in Ogbia Local Government Area.
- iii. The effect of improved expenditure on financial accountability in Ogbia Local Government Area.
- iv. The effect of revenue forecast on financial accountability in Ogbia Local Government Area.

1.4 RESEARCH QUESTIONS

The following Research Questions serves as a guide to the dtu.

- i. To what extend does the effects of cash management brings about financial accountability in Ogbia Local Government Council.
- ii. How does budget implementation affects financial accountability in Ogbia Local Government Area.
- iii. How does improved expenditures management enhance financial accountability in Ogbia Local Government Area.
- iv. Does Revenues forecast has greater effect on financial accountability of the Ogbia Local Government Area.

1.5 RESEARCH HYPOTHESIS

The study would be guided by the following operational hypothesis.

1 Ho, There is no significance relationship between cash management and financial accountability in the Ogbia Local Government Council

Ha, there exist a significant relationship between cash management and financial accountability in Ogbia Local Government Council.

2. Ho, There is no significant relationship between Budget implementation and financial accountability in Ogbia Local Government Council.

Ha, there exist a significant relationship between Budget implementation and financial accountability in Ogbia Local Government Council.

3. Ho, There is no significant relationship between Improved expenditure management and financial accountability in Ogbia Local Government Council.

Ha, There is observable significant relationship between Improved expenditure management and financial accountability in Ogbia Local Government Council.

4. Ho, There is no significant relationship between Revenue Forecast and accountability in Ogbia Local Government Council.

1.6 SIGNIFICANCE OF THE STUDY

The study will serve as a veritable source of tool for policy makers to equip them with useful information that would enable them fashion out dynamic policy measure on the effect of treasury management on accountability. It is also expected that the study will be of great importance to the members of the academic in proving useful materials and add to knowledge in the area under study.

Furthermore, this study would be of a great help to all categories of Civil Servants who works in the treasury department to efficiently management finances. Finally, the study would reveal the relationship between Treasury management and financial accountability to policy makers in critical decision taking.

1.7 SCOPE AND LIMITATION OF THE STUDY

The study covers the effects of treasury management on financial accountability in Ogbia Local Government Area of Bayelsa State. The study examine the effects on Cash Management, Budget Implementation, Improved Expenditure Management and Revenue Forecast. However the basic problem encounter during this research work was lack of access to source of material and finance to carry out the study effectively.

1.8 DEFINITION OF TERMS

For effective understanding of the research work, the following terms are defined.

1. TREASURY

Treasury involves the management of money and financial risks in a business. The profit is to ensure the business has the money it needs to manage its day-to-day business obligation.

2. MANAGEMENT

Management can be defined as the process of gathering the work or the task alone that is required for achieving the goals of an organization in an efficient and effective manner.

3. TREASURY MANAGEMENT

Treasury management is the act of managing a Company's daily cash flows and larger scale decisions when it comes to finances.

4. PUBLIC SECTOR

Public Sector, portion of the economy composed of all levels of government and government controlled enterprises.

5. ACCOUNTABILITY

Accountability refers to the acceptance of responsibility for honest and ethical conduct towards others.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

INTRODUCTION

This chapter takes a look at review of related literature on the subject matter of study. The purpose of this is to find a position for the present study among those already existing researches. Also this review of already existing Literature is to justify the necessity of this present work.

Thus, literature review has been done on the following captions concepts of Treasury Management, Concepts of Public Sector Objectives of public sector finance, Treasury management in the sector, Budgeting as a Treasury management tool, effects of Treasury Management on public sector. Financial Accountability.

2.1 CONCEPTUAL FRAME WORK

2.1.1 CONCEPT OF TREASURY MANAGEMENT

Treasury Management is the management, planning and control of financial resources of a business to achieve the objectives of the business Akpan N.J (2005).

Treasury Management evolved from theoretical concept where emphasis are placed essentially on the various ways through which funds are raised and applying such funds to guarantee effectiveness and efficiency in the use of financial resources of an organization, it is that aspect of finance that can be

referred to as the management of money inflows and outflows to achieve the objectives of the organization. Fayemi F.A (1988).

2.1.2 CONCEPT OF PUBLIC SECTOR FINANCE

According to R.A Adams (2006) public sector is explained as all organization which are not privately owned and operated but which are established run and finance by the government on behalf of the public. It consist of organization where control is in the hand of the public as oppose to private owners and whose objectives involved the provision of services where profit is not a primary objective. Thus, public sector finance involves the process of recording, communicating, summarizing, analyzing and interpretation of government financial statement in reflection of all transactions involving the receipt and disbursement if government finds.

It is important to note that public sector employs a tool called fiscal policy to stabilized the management of financial resources

Fiscal policy according to Alabrah E.E (2015) is the government policy that involves the use of transaction and expenditure instrument to regulate a country's finance. It is the government plan to control aggregate demand by manipulating revenue and expenditure.

2.1.3 OBJECTIVES OF PUBLIC FINANCE

Adams T.A (2005) highlighted the following sector finance or accounting.

- i. To ascertain the propriety of transactions and their confirming with established rules.
- ii. To give evidence of financial accountability.

- iii. To serve as a basis for controlling.
- iv. To serve as a basis for decision making.
- v. To serve as a basis for appraisal of the performance of management.
- vi. To dispute sources of government revenue and result expenditure .
- vii. To ascertain the detail cost of providing various services and the financial commitment.

2.1.4 GOVERNMENT EXPENDITURE

INTRODUCTION

According to T.O Apere (1999); Government Expenditure or Public Expenditure is the act of government spending , its resources to provide good and services and to carry out its statutory functions such as general administration, defence internal responsibilities, etc.

In Nigeria government intended expenditure pattern can ease seen through the yearly budget estimates , the 3 year rolling plan, the 5 year development plan and the 5 – 20 Year perspective plan. The most Most widely used of them all Is the yearly budget

The budget is normally split onto 2 the receipt side which is the revenue side, and the payment side, which is the expenditure side. The expenditure side shows government expenditure side, the expenditure side shows government expenditure Patterns.

the expenditure side is further splitted into recurrent expenditure and capital expenditure. Recurrent expenditures are regular spending or

payments of government to cover its administrative and general maintenance cost payment of salaries, ETC. Capital expenditure on the other hand refers to resources spent on providing new capital project such as the construction roads bridges schools health facilities ETC. Normally an increase in capital expenditure today will bring an increase in recurrent expenditure tomorrow.

NATURE OF GOVERNMENT EXPENDITURE

A glance of any typical budget composition will clearly highlight the nature and composition of government expenditure.

Normally, there are major items that feature regularly in government budgets statement; we shall look at such items briefly.

a. EXPENDITURE ON ADMINISTRATION

Every Government strout to ensure good government. To achieve this, substantial amounts are normally budgeted every year for the purpose of providing goods and effective administration, since government administrative missionary is divided into ministries an department each of these ministries and department's Is normally provided with fund in order to carry out the business of government

b. DEFENSE

Every society is becoming more and more conscious of both internal security and external defence thereby spending huge sums of money in acquiring state-of-the-art weapons for the different aims of the armed

forces karma this therefore forms a major component of government expenditure.

c. INFRASTRUCTURAL SERVICES

Infrastructural facilities such as bridges, routes, railway systems health facilities, ETC other major areas of demand on government expenses no doubt the provision and maintenance of these facilities entails a substantial amount of government expenditure.

d. PRODUCTIVE SERVICES

Another item that is normally included in government expenditure patterns is in production and marketing of public goods.

Government sometimes does this by direct participation particularly when private participation is not forth coming. At some other times, government enters into partnership with private investors or provides finance for the establishment of enterprises for the production and distribution of public goods.

e. INTEREST ON INTERNAL AND EXTERNAL LOANS.

Government is required to pay interest on debts owned by the country to foreigners and another donor institutions such as the World Bank, the international money Monetary Fund, (IMF) And as well as money borrowed from internal source. The interests repayment is also one of the components of government expenditure.

f. EXPENDITURE ON DIPLOMATIC MISSIONS

Governments normally maintain diplomatic missions abroad in these days of Naira depreciation the expenses of these missions obviously from a substantial parts of government expenditure.

Causes of Growth in Government Expenditure

Government Expenditure have been on the increase in recent years across countries, several factors are being identified as being responsible for this growth. We shall examine some of these causes T. O Apere (1999)

a. RISING INCOME LEVELS

It is a generally known fact that increase in individual income will bring about an increase in his expenditure all things being equal, this is also true as it affects a nation It is usually organised in Nigeria, both personal income and national income have been on the increase, the famous payments of Arrears during oil boom era is a pointer.

b. POPULATION INCREASE

In Nigeria, population has been on the increase steadily the census figure in 1911 puts the country's population at 5.98 million by 1952/53 As it was 49 million and by 1991 it is already 88.5 million.

No doubt this teeming population will be feed, clothes and sheltered.

c. URBANISATION OF THE POPULATION

Closely stated to the above, is the gradual organisation of the population in these days when everybody wants white collar jobs from the cities, governments will necessarily commit more resources to infrastructural facilities.

d. WELFARE SERVICES

The provision of Social Security and welfare services for the young kama aged on unemployed have since been on the increase. To satisfy these demands, government has to channel more funds to these areas thereby increasing overall government expenditure.

e. NATIONAL CRISS/WARS

The period immediately following the onwards some Nigerian civil war mark deal increased government expenditure in Nigeria. This was the cause more resources had to be provided for the purpose of reconstruction and development, also Cromer the June 12 1993 political crisis made a lot of financial demands on the federal government an it has since been a source of making the government buy some hooks around do corridors of power of course Nigerians population in peacekeeping Particularly in Liberia On in Sierra leone is no doubt A cause of increased government expenditure.

f. TECHNOLOGICAL AND INNOVATIVE CHANGES.

Governments in order to bring about rapid economic growth and development go for technological and innovative changes which certain costs money. In countries like Nigeria where individual efforts in these areas are not encouraged, the government may need to spend more in order to acquire the needed technological and innovative changes that are very vital for any serious developmental studies.

g. Inflation

Inflation has become a common problem to visually all countries. Since government also goes to the same market to buy any needed factor of production, inflation has since become a Casual fact for the growth of government expenditure. In developing countries where the rates of inflation are higher, the degree of casualty of inflation on government expenditure will also be higher.

h. CHANGES IN POLITICAL AND BUREAUCRATIC STRUCTURE.

Political and bureaucratic structures have undergone several changes in Nigeria with a high degree of correlation on government expenditure pattern karma for instance Cromer our state structure has evolved from four regions of structure to 12 states structure and then 19, 21, 30 and lately 36. Capturing for the administrative missionary in this state certainly increases government spending.

i. THE PRODUCTIVITY LAG FACTOR

Productive output of resources employed on the public sector is by far less as compared to the use of same resources in the private sector obviously; the low labour phrase in the public sector is the cause. As a result, in order to achieve the same level of productivity needed in such sectors government spends more by acquiring more of the resources needed to produce the given quantity.

2. 1. 5 THE PUBLIC ACCOUNTS COMMITTEE (PAC)

INTRODUCTION

T.O Apere (1999) Explained that the Public Accounts Committee (PAC) is one of the legacies left behind by the British parliamentary system of government and which has refused to change in spite of several changes that have occurred in the legislative system of the country. In Britain it was set up as one of the measures taking to give parliament better control over the expenditure of public funds, It was for the same reason that it was introduced to the Nigerian parliamentary system.

Under this system of public accountability undoing the tenor of the first civilian regime, the financial reports of the Auditor General yes submitted to the member of the government responsible for finance who was responsible for presenting such reports before the legislature where they would be deliberated upon by a committee of the House of Representatives known as the Public Accounts Committee.

During the first military regime, this system was returned as the reports of the Auditor General we have been submitted to the member of the government responsible for finances. During this time, it was brought before the federal executive council instead of the legislature for deliberation, this is later remitted to the public accounts committee, which comprised members of public, nominated by the government.

The Public Accounts Committee eventually becomes enshrined In the constitution of 1979. And in Section 3, the constitutions stipulated that the Auditor General shall submit his reports to each House of the National Assembly and each house shall cause the report to be considered by a committee of the house responsible for public accounts. But with the advent of the second military regime, the use of the federal executive council which later refill it's to the Public Accounts Committee nominated by government, become operational.

FUNCTIONS OF PAC.

The main functions of the Public Accounts Committee is the examination of the accounts of ministries, department and their government agency, showing the appropriation of the monies voted by the legislature for public expenditure and such other accounts laid before it together with the Auditor-General's reports on such accounts.

It may also deliberates on other matters relating to the management of public forms in carrying out its functions it has absolute discretion in planning and directing its programme of work and examination and the

manner of summoning witness is to appear before it's concluding accounting officers and chief executives.

The Civil Service Re-Organisation Degree of 1988 has highlighted three main rules for Public Accounts Committee as follows.

- I. To provide a formal forum in which the accounting officers are called upon to explain in public common matters on which departments have been queried by the Auditor General.
- ii. To inform the National Assembly and the general public of defects in financial administration and the explanation of accounting officers when comforted with them.
- iii. To serve as a vital link between the Auditor General and National Assembly.

2. 1. 6 CONSOLIDATED REVENUE FUND (CRF) ESTABLISHMENT OF THE CRF

T.O APERE (1999) opined that Consolidation Revenue Fund is a public fund established by section 74 subsection 1 of the 1979 constitution of the Federal Republic of Nigeria. It is defined as. "Our revenues or other moneys raised or received by the federal government, not being revenue or order moneys payable under the constitution or any act of the National Assembly into other public fund of the federation established for a specific purpose shall be paid into and form one consolidated revenue fund of the federation".

Similarly, all revenue or other moneys raised or received by the state shall according to section 118 subsection 1 of the 1989 constitution of the federation be paid into and form one consolidated revenue fund of the state, But these are ever excludes revenue or order money payable under the constitution or any law of a House of Assembly under the constitution or any law of a House of Assembly into any order specific purpose public funds of the states.

For the avoidance of doubt, it is necessary for the students to know that there are some other public funds prominent then other Development Found and contingencies fund. Government capital projects are financed from the Development Fund. All receipts and transfers earmarked for capital projects Accredited to the fund and all capital expenditures are debited to it.

It is however not a fund into which taxes and government revenues are directly paid. Please enter into this true contribution from the consolidated revenue fund, one other font which contributes however for a short period of time to the Development Fund, is the contingency fund. This font is used sometimes too accommodate expenditure on ongoing projects pending the release of additional or increased funds through legislative approval.

All to a greater proportion of what goes into the Development Fund comes out of the consolidated revenue fund sometimes as high as 80%, there are other and perhaps equally important source into this font. They are, internal own karma external loans and external grants.

2. 1. 7: CANONS OF EXPENDITURE

a. CANON OF ECONOMY

Since resources are scarce relative to their needs, no waste should be permitted.

Thus, the process of public expenditure should not involve the use of resources more than is just necessary. Utmost care must be taken to avoid waste with full usage of public funds. This includes avoiding delay in plan formulation, sanction and execution, especially when prices are rising. In most cases waste is avoided by using the cost-benefit approach to evaluate projects.

b. CANON OF SANCTION

This requires that no public funds should be used without proper authorization and that funds must be used only for the purpose for which they have been sanctioned.

This ensures the avoidance of an unscrupulous expenditure when checking misappropriation of funds.

c. CANON OF BENEFIT

Authorities should spend public funds only if they are beneficial to the society. Thus, they should try to choose that combination of items for public expenditure which collectively maximises the social benefits, in this way, the "principle of maximum social advantage" is attained.

d. CANON OF SUPPLIES

Government should be prudent And aim at meeting its current expenditure needs out of its current revenue, and hence should avoid deficit budgeting. By avoiding overspending and debt, the government should achieve a moderate surplus. More did stop losses during some years will take care of reasonable boats unavoidably deficits during other years.

However, in the modern economy, supplies or deficit budgeting is dictated by the state of the need for economic growth with high employment. This has necessitated huge deficits in national and state budgets.

2. 1.8 BUDGET IMPLEMENTATION

T. O Apere (19990 Explained the process of budget implementation as the period in which the appropriations are used in incurring expenditure, delivering services and accounting for the transactions and events relating there so. What jets implementation means budgets as a Christian and budget Execution denotes actions and control. The aim is to have the end result as close as possible towards his intended or planned for the success or failure of any budget implementation and execution depends on the budgetary control mechanisms.

Budgetary control can be regarded as encompassing the functions of

- a. Fund control
- b. expenditure control
- c. revenue control
- d. cash control

Fund Control is the management of legislative appropriations to ensure that they are used for the purpose for which they are intended, that they are used economically and efficiently that's commitment and expenditure do not exceed amount approved or made available and that activities not approved by governments are not pursued or prosecuted with approved fund. Fund Control is exercised through two methods. Appropriation Monitoring and Financial Statements.

Appropriation Monitoring: starts with the issuance of warrants. The various types of warrants have already been described on consolidated revenue fund. Government financial statement on the other hand, provides an overall picture of the financial well-being or otherwise of the nation with an indication of the total effect of all Allocation spending decisions of the government on the nation's resources. If timely, they provide warning signals to policymakers, public servants who execute government policies and interested members of the public or concerned citizens if they so wish.

The Treasury Department under the Accountant General of the federation prepares all governments accounting statements with the exception of those relating to statutory corporations, government owned companies and parastatals. These statements are of three categories and are published in the federal government's official gazettes. These are monthly statements and annual statements.

Expenditure control or votes control relates primarily to control on amount expenditure. The ultimate responsibility for the control of vote rests with

the chief executives of ministries and agencies; they are interested on the expenditure of public funds feeling within the head of budgetary accounts of their ministries and agencies. Demi however delegate the day to day control of expenditure to subordinate officers charged with the control of votes as specified in the annual estimates. Such officers have responsibility to monitor the expenditure of their ministries or extra ministerial department with reference to the amounts on the estimate and are required to keep votes books and ensure that no sub head of expenditure is overspent without authority.

Revenue Control: Deals with the timely collection of revenue due to the federal government ensuring that amount to actually collected and that what is collected gets into the Officers of government. Revenue monitoring also helps to improve the collection efforts and to reduce costs of collection call mom it is the function of each ministry or agency to collect amounts due under sub heads for which the chief executive is responsible, revenue monitoring on the other hand is the responsibility of the finance minister and the inspectorial division of the Treasury Department, do monitoring activities of the inspectorial I however organised and thorough.

Cash control. is another vital aspect of budget Implementation, This is because without cash allocation the planned activities of the government cannot be Carried out. However, the allocation of the approved estimate for the various ministries and department is not midge in terms of cash allocation unlike in just supply system the allocation is done by the issuance of warrants as the first part and the supply of cash as the second

part follows as the need arises. This should however be subject to the limitation of the appropriation.

2.1.9: THE CONCEPT OF REVENUE ALLOCATION

T.O Apere (1999) Define that revenue allocation means the sharing out of contrarily collected funds. it is divided first among the different tiers of government and then within a particular tier. The division between the tiers of government is called vertical allocation an in Nigeria where we operate the federal system; it is shared between the federal, States and local governments. But when it is shared within a particular tiers says the state government, it is cold horizontal allocation.

Section 149 of the 1979 constitution stated it clearly thus;

- The federation shall maintain his special account to be called the federation shabby page all revenues collected. The government of the federation except the proceeds from the personal income tax of the personnel of the armed forces of the federation, the Nigerian police force, the ministry or department of government charge to its responsibility for external affairs and residents of the Federal Capital territory.
- Any amount standing to do credit of the federation account shall be distributed among the federal and state governments, and the local government councils in each state, on such forms in such manner as maybe prescribed by the National Assembly.

- The amount standing to the credit of local government councils in the federation account shall be allocated to the states for the benefits of their local government councils in such terms and in such a matter as may be prescribed by the National Assembly.

2.1.10 TREASURY MANAGEMENT IN THE PUBLIC SECTOR

- Egwugwu I. (2004) enunciated that the public service constitute the institutional structure through which government policies and programmes are initiated, appraised and implemented in order to manage the treasury of the public sector specific functions of the public servants are clearly defined and hand out in instructions of a well ordered chain of command necessary to carry out legal directives or institutions. The public service is a dynamic system with in-built mechanism for self-regulation and self-adjustment through institutionalized checks and balances.
- Certain functional rules and regulations exist within the public sector service including acceptable standard and procedures which aculeates content of government financial transactions and it management.
- Government finances exist as fund provided for specific government programmes and each of the statutory fund is provided under a given head to specific period. Ogwona A.G.C (1999).
- Thus, the resources of government are limited and therefore must be manage well through an efficient fiscal programme and proper accounting for order and consistency. Accounting for government

financial transactions is usually facilitated by land down set of rules and regulations in financial responsibility of public officers.

- Also, there are basic source of financial authority which regulates the conduct of public officers in relation to government financial transactions. They includes the constitution of the federal republic if Nigeria.
- The legislation or acts of parliament or the house of Assembly, Commissioners and Ministers of finance as provided for in section 175 9f the 1979 Constitution treasury arculars for the purpose of primary of funds and financial institution which are provided for under the finances Act of 1959 as amended in the subsequent laws or Acts of parliament. Egungo I. (2004). Finally, the constitution provides for the establishment of consolidation revenue fund. C.R unto which all revenue and other statutory fund of government must be paid. Money can only be withdrawn from the consolidated revenue fund to meet expenditure charged to if by the constitution or authorized an appropriation act passed in accordance with constitution. While all capital expenditure are charged to capital expenditure and development fund. Apere T. (1998).

2.1.11 BUDGETING AS A TREASURY MANAGEMENT TOOL

Ejele (1996) asserted that budget is a financial estimate of expected income and expenditure of a country form or individual house hold over a period of usually a year. It is the instrument for planning and controlling financial matters if a government

Thus, the financial document shows the major items of expenditure and sources of expected revenue. It has two major sides: the Receipts and Payment sides.

The receipts side contains sources and amount of expected side contains the major items of expenditure and amount allocated to each. Accordingly budget could be balanced, deficit and surplus in nature.

As a tool of treasury management Adimadam E (2003) opened that budget generally provides objectives made of efficient distribution of economic resources to programmes and activities of government which would benefit one economic unit without harming the other budget as a matter of fact serves the purpose of control, management and planning. The management aspect if budget deal with the systematic exchange of approved plans and policies effectively. As a planning instrument, budgets must establish clear articulation if government objectives evaluate alternative course of actions and recommended choice options.

Also, public expenditure management is a crucial factor in budget control as well as the implementation process, public sector expenditure represents the relevant expenses which government incurs for its own maintenance as well as the society and fiscal tool must make sufficient provision for public assets, roads, public building etc.

2.1.12 EFFECTS OF TREASURY MANAGEMENT ON FINANCIAL ACCOUNTABILITY

Akpan N.I (2005) Opened that treasury management has greater effect on cash management, budget implementation expenditure management and revenue focused on the policy sector to enhance accountability

Cash Management. Public sector administration requires proper cash management to enhance accountability. Thus, The effect of it is to stimulate control of cash, cost of government borrowing and to ensure balance in the use of fund.

Budget Implementation To enhance effective treasury management of resources in the public sector finance budget implementation because a veritable tool to achieve accountability, the effect of this is that there will be proper budgets execution and utilisation of the financial resources of the treasury to implement policies embodied in the period. The effect on this would also take cognize of the micro economic environment the agency concerned and the problems that would arise in cause of its implementation. The sources of failure of any budget implementation and execution depends on the budgetary control me

Budgetary control can be regarded as encompassing the functions of

Fund control

Expenditure control

Revenue control

Cash control

Fund Control: is the management of legislative appropriations to ensure that they are used for the purpose for which they are intended, that they are used economically an efficiently that's commitment and expenditure do not exceed amount approved or made available and that activities not approved

by governments are not pursued or prosecuted with approved fund. Fund Control is exercise through 2 methods. Appropriation Monitoring and Financial Statements.

Appropriation Monitoring: starts sweets issuance of warrants. The various types of warrants have already been described on consolidated revenue fund. Government financial statement on the other hand, provides an overall pictures of the financial well-being or otherwise of the nation loss on indication of the total effect of all Allocation spending decisions of the government on the nation's resources. If timely, they provide warning signals to policymakers, public servants who executes government policies and interested members of the public or concerned citizens if they so wish.

The Treasury Department under the accountant general of the federation prepares all governments accounting statements with the exception of those relating to statutory corporations, government owned companies and parastatals. These statements are of three categories an anomaly published in the federal government's official gadgets. These are monthly statements and annual statements.

Expenditure Control or votes control relates primarily to control on amount expenditure. The ultimate responsibility for the control of vote rests with the chief executives of ministries and agencies, they are interested on the expenditure of public funds feeling within the head of budgetary accounts of their ministries and agencies. Demi however delegate the day to day control

of expenditure to subordinate officers charged with the control of votes as specified in the annual estimates.

Such officers have responsibility to monitor the expenditure of their ministries or extra ministerial department with reference to the amounts on the estimate and are required to keep votes books and ensure that no sub head of expenditure is overspent without authority.

Revenue Control: deals with the timely collection of revenue due to the federal government ensuring that amount to actually collect and what is collected case into the Officers of government. Revenue monitoring also helps to improve the collection efforts and to reduce costs of collection call mom it is the function of each ministry or agency to collect amounts due under sub heads for which the chief executive is responsible, revenue monitoring on the other hand is the responsibility of the finance minister and the inspectorial division of the Treasury Department, do monitoring activities of the inspectorial I however organised and thorough.

Cash Control. Is another vital aspect of budget Implementation, This is because without cash allocation the planned activities of the government cannot be Carried out, However, the allocation of the approved estimate for the various ministries and department is not midge in terms of cash allocation unlike in just supply system the allocation is done by the issuance of warrants as the first part and the supply of cash as the second part follows as the need arises. This should however be subject to the limitation of the appropriation.

Improving Expenditure Management: A strong expenditure management system helps to maintain proper accountability in the public sector finance; hence expenditure management in the management of the treasury financial resources would attached value to priority items and increase efficiency in programmes approached.

Revenue Forecast: A proper management of the treasury resources gives way to prepare a revenue forecast. These forecast are updated regularly because of change in the macroeconomic and that effects tax administration. This, it provide an avenue where monitoring is strictly followed and collection of revenue on tax and non-tax revenues are well coordinated with the agencies responsible for the collection.

2.2: THEORETICAL FRAME WORK.

2.2.1 SHAN ANWAR COOPERATE THEORY OF TREASURY MANAGEMENT

2.2.1 Shan Anwar Cooperate Theory of treasury management: This theory states that management of treasury cash and risk are often treated as entirely different process. However, they are intrinsically two sides of the same coin, and effective treasury operation will manage these together as a cross functional team cash managers are expected to focus on operational processes analysts gather data either through treasury management system or spread sheets to provide cash visibility intended for reporting purposes only. Risk Managers apply their analytical expertise on what appears to be a completely separate process to minimize those risks where the company has no unique competitive advantage. The functional teams appear to coexist

within parallel systems following different processes and operating under separate policies.

2.2.2: BEST CLASS THEORY OF TREASURY MANAGEMENT

Best Class Theory of Treasury Management: The theory lay emphasis on having a holistic approach to managing the payment of interest on forecast revenue especially of the currency denomination that relates the foreign exchange of the country on the sales of each item individually. A holistic approach to managing these risks may be to source the interest payment on foreign currency denominated from forecasted FX sales which would mitigate the need to ledge each item individually. The Foreign Currency denomination loan may be designated under a net investment ledge program in order to ledge the foreign currency denomination equity in a foreign subsidiary, must importantly a cross functional solution requires a consolidated view of cash exposures and associated risks. In addition to more efficient risk mitigation and controllership, a comprehensive approach to cost and risk may improve the bottom line. For example, if a corporation reduces its annual derivation notional lading by \$ 300 Million by integrating its cash forecasting with risk management then this calculates to an estimated \$ 60,000 in savings, assuming a conservative savings of 2 basic points on bid offer spread change by the banks. This estimate may be for some corporation, enough to justify the cost of a treasury management system.

Best in class treasuries may take a three-fold approach to integrating these twin functions of treasury management. First, it's important to define risk

management objectives within a documented policy such a policy would specify cash management as a supplier of information as well as risk managers in their own right.

Second a culture where in everyone shares risk management responsibilities take this a step further.

It use you 1991 theory on cash management which include the free-cash flow which asserts that management has the responsibility of holding cash to gain control over it in making investment decisions, each conversion theory.

Treasury management or treasury operations include management of enterprises holdings, with the ultimate goals of maximizing the firms liquidity and mitigating its operational, financial and reputational risk.

2.2.3: FREE CASH FLOW THEORY

The theory asserts that management has the responsibility of holding cash to gain control over it in making investment decision (Huseyin 1987) when cash is readily available investment is made easier by the managers. The management must always ensure that if invests in the activities which maximize the shareholders returns. By holding sufficient amount of cash.

The management is guaranteed in the investment in growth projects due to the availability of funds hence improved financial performance. Scarcity of funds means that the management will not be able to invest in only investment aimed at improving the welfare of the shareholders.

Eljelly (2004) Criticized the free cash flow theory by arguing that managers holding too much cash can easily make poor investment

2.2.4: Baumol Model Approach Theory

According to Baumol (1952) Baumol Model is deterministic model of cash management which determines the optimal cash balance by the business entities.

2.2.5: WISEMAN PEACOCK THEORY

J.C Anyanwa (1993) Intent that in the study of the UK economy (1890-1955) concluded that public expenditure does not increase in a smooth and continuous manner, but in a step-like fashion in other words, governmental physical activities rise step by step to successive new plateaux sometimes some social or disturbances (such as war or depression) take place which the existing public revenue cannot meet. While earlier, as a result of an insufficient pressure for public expenditure the revenue constraint was dominating and restraining and expansion in public expenditure now under change requirement such a restraining gives will. The public expenditure rises and makes the inadequacy of the present revenue quite clear to everyone. The movement from the older level of expenditure and taxation to a new and higher level is the displacement effects, the insufficiency of the revenue as compared with the required public expenditure creates an inflation effect, ie, War or under social disturbances forced people and the government to seek solution to important problems which previously had been neglected, the people and

the government review The revenue position and they need to find a solution of the important problems that have emerged and thus agreed to make we needed adjustments to finance The increased expenditure. This results in the attainment of a new level of tax tolerance i.e, They are prepared to tolerate a greater tax boarding hence both the general level revenue and expenditure rises in this manner, public expenditure and revenue Stabilize at a new level. In another disturbance results in a displacement effect, in addition since each Major disturbance causes the government to assume a large proportion of the total national economies activities the net result is the concentration effect on skill effect. This refers to the apparent tendency For control national government economic activity to become an increasing proportion of total public sector economic activities when a society is experiencing economic growth, I E The appearance tendency for central economic activities to grow faster than that of the States and local governments. This means that subnational governments necessarily will decline in relative important within the public sector a finding consistent with British economies empirical evidence.

2.2.6: ADOLPH WAGNER THEORY OF PUBLIC EXPENDITURE GROWTH

Adolph Wagner (1835 – 1917), A famous German political economist who based his law of increasing states activities on historical facts, primarily Germany, open that there are inherent Tendencies for the activities of different layers of government search as control and governments to increase boots intensively and extensively. 1 that is, there is a functional relationship between the growth of the government's activity so that the

government sector grows fast add on the economy. Thus, all kinds of government, Irrespective of their level intentions Peaceful of war like on size etc, indicate the same tendency of increasing public expenditure.

In other words, Wagner Argued that the functional case and effect relationship exists between the growth of Industrializing economy and the relative growth of its public sector. The relative growth of the public sector is an inherent of industrializing economics, opined Wagner.

This secular (long time) I put this is believes that social progress was the basic cause of the relative growth of government in industrializing economies. This Shane reaction circumstance add that social progress leads to a growth in government functions which, In turn, leads to the absolute and relative growth of government economic activities.

Wagner Distinguished certain forms of government activities in an attempt to validate this Viz; (a) Law An order, and B participation in the material production of economic goods, including the provision of certain social product such as educational, monetary banking arrangements ETC, in the face of market failure.

Government corporations must produce certain economic goods requiring large fixed investments, since private companies cannot undertake such investment on a profitable basis.

This apart from the traditional state functions wish we expanding this states activities were increasing in coverage (e.gsubsidise on other welfare measures), and hence the increasing need to provide and expand the

spheres of public goods. Put the forces behind the tendency of increasing public expenditures a rising population, organisation and hence pressure on Amenities higher prizes, they need to provision of welfare and Social Security measures, rising cost of servicing debts and debt repayments and accepted deals of planning an economic growth.

Though the hypothesis provided a convenient framework for discussion and for further research, it has some shortcomings, Viz (a) Do hypothesis deals with interdisciplinary phenomena; it is not sufficiently interdisciplinary in its analytical framework. (Lack of a comprehensive analytical framework), (b) It is based on an organic self determining theory of the state, which is not the prevailing theory in most Western nations, (c) It omits the influence of war on government spending, (d); It stresses a long term trend of public economic activities which tends to overlook the significant frame pattern or process of public expenditure growth.

2.2.7: RESOURCES BASED VIEW THEORY

The proponent of Resources-Based View (RBV) theory was Borger Wernerfelt who anchored on the use of resources as a differentiating performance growth level of the firm 1. According to Lauic (2008) the RBV is corporate strategic models employed to analyses and determine the core resources requirement that a firm needs to possess and Exploit to drive its operational efficiency in order to achieve comparative and competitive advantage for its perpetual performance. This implies that RBV theory posits that firms have heterogeneous and somewhat dissimilar performance, which necessitates

them in possess varied and assorted resources that requires different firms to structure unique dissimilar strategic plans in the development, acquirement and utilization of different mixture of resources in the management of their organization (Tang. 2017).

Wernerfelt (1984) Conceptualization that resources based view of the firm is a strategic management approach used to analyses the ethicality of firms specific internal resources. This means that firms specific internal resources occupy a pivotal place in a firms success factors.

2.2.8: AGENCY THEORY

One of the oldest theories underpinning modern financial Accountability is the agency theory. According to means (2017) the mainepical work on the development of Agency Theory on “The Modern Corporation and Private Property”. Subsequently, the theory was later explained and brought to the fore by Stephen Ross and Berry Mitrick in 1976 (Mitrick 2019,2021). However, in 1976 the Agency Theory was widely popularized by Michael Jensen and William Meekling. Hence the generally excepted proponent of modern agency theory is attributed to Jensen and Meekling (1976). The foundation on which the agency theory was hinged upon is on the business entity concept that recognizes the separation of a company’s legal entity form in which the life of the owners of the business entity is distinctively separated from government of the entity (Maeoy 2019). Agency Theory is derived from a business arrangement whenever there is a dichotomy and divergent of interests between entity holders and financial managers in 5his

governance of an incorporated business entity. (Panda and Loopsa 2017). Hence, under the agency arrangement the shareholders (the principal) relinquished their authority to the managers (the appointed agent) being delegated to act on it's behalf in making relevant governance decisions for the smooth running of the business, (Parker Dressel, Chevers&zepetella 2018).

The dichotomous separation of interests between the contracting parties in the agency relationship continues to abound to the present dispensation even in the midst of contemporary advent of scientific disruptive technologies that are meaningfully influencing the interaction of humans with the corporate world theory posing futuristic challenges to the aged-long believe of artificial legal personality of body corporate (Solaiman, 2017, Watson, 2021, Godwin, Lee & Berger 2005, Somoye 2008). Adegbaju and Olokoyo 2008, and Berger and Bouwman (2009) found a significant positive relationship between capital adequacy and bank financial performance, the study of E Chengreen and Gibson 2001 indicated the need to be cautious because their results showed that capital would only have significant positive relationship with profitability to a certain limit, thereafter, the relationship could be negative due to bureaucratic and other reasons.

2.3 EMPIRICAL REVIEW

Pattanayak and Fawnboim (2021) affirmed that a treasury single account (TSA) is an essential tool for consolidating and managing governments cash resources through the minimization borrowing costs.

Mutegi 2012. Conducted a research to establish the effect of budgetary controls on the financial performance of construction firms in Kenya from the period 2008 to 2010. The research used the secondary data on the analysis.

The study sought to analyse various budgetary controls in improving the financial performance, linear regression model was employed, he conducted that budgetary controls has a significant effect on the financial performance of the construction firms in Kenya.

Uwalomwa 2013. Studied the impact of cash Management on two profitability of insurance firms in Nigeria from 2006 to 2011, 102 insurance companies were considered for the study, however; 27 insurance firms was the sample for study. They research used secondary data which was obtained from analysis. Cash Conversion cycle measured cash flow and return on equity the profitability of the insurance firm.

He concluded that cash Management had a positive impact on the financial performance.

Walihanya 2013. Examined the effect of working capital management on the profitability of the firm in Kenya from 2010 to 2012. The study sample was 11 firms across all the sectors in Kenya from the population of 67 firms. The study analyzed the working capital indicator which included inventory turnover period and cash Conversion cycle. In the analysis the linear regression model was employed to establish

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter deals with the methodology adopted for this research work-it covers the research design, characteristics of the study population, sampling procedures and design instrument, data collection, operational measure of variables and method of data analysis.

3.2 RESEARCH DESIGN

The design of this study is directed to examine the effect of Treasury Management on accountability in Ogbia Local Government Area. This study uses regression analysis as the quantitative approach to reveal the effect of treasury management on accountability.

3.3 CHARACTERISTICS OF STUDY POPULATION

The population of this study comprise stator allocations of twenty on years in Ogbia Local Government Area and budget estimates.

3.4 SAMPLING DESIGN AND PROCEDURE

The study makes use of annual data of statutory allocation and estimates of the Ogbia Local Government under the period of study from 2000-2021.

The variables of the study comprise of cash management, expenditure management, Budget implementation and Revenue forecast. The sampling techniques and design adopted for this selection is the judgmental sampling techniques.

3.5 DATA COLLECTION INSTRUMENT

Secondary data relating to statutory and budget estimates of the Council with 2000-2021.

3.6 OPERATIONAL MEASURE OF VARIABLES

The model of the study is specified based on the empirical frame work of Pattanayak and Fainboim of (2010).

Treasury Management is a function of cash management Expenditure Management, Budget Implementation and Revenue Forecast.

Thus $TM = FCC, E, B, R$

Where

TM = Treasury Management

C = Cash Management

E = Expenditure Management

B = Budget Implementation

R = Revenue Forecast

F = Symbol of Functional Relationship

Of the mathematical Model assumed to be linear

$$TM = b_0 + b_1C + b_2E + b_3B + b_4R + u$$

3.7 METHOD OF DATA ANALYSIS

The study made use of regress, on analysis base on ordinary least square to examine the effects of treasury management on accountability. Furthermore a test of multi collinanty and correlation was conducted and to determine

the suitable model in order to explain whether or not it satisfies with the condition of acceptance.

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CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 DATA PRESENTATION

Table 4.1 Some Selected areas of effects of treasury management on accountability (cash Management, Expenditure management, Budget Implementation revenue forecast in Ogbia Local Government Council 2000 – 2021

	ANNUAL STATUTORY	CASH	EXPENDITURE	BUDGET	REVENUE
YEARS	ALLOCATION	MANAGEMENT	MANAGEMENT	IMPLEMENTATION	FORECAST
2000	267550.00	25.50	3205.9	2812.10	1.11
2001	312139.70	20.00	3713.9	3010.20	1.87
2002	532613.80	29.80	3109.3	3040.50	1.08
2003	683869.80	18.30	3114.2	3323.10	3.11
2004	899863.20	21.00	2940.0	3611.00	4.11
2005	1933212.00	20.10	3097.8	3620.10	6.54
2006	2702719.00	19.70	2940.5	3767.90	7.26
2007	280195.00	13.50	7862.5	5384.80	8.86
2008	27084031.00	18.30	888.0	5949.50	8.95
2009	3194015.00	21.30	9466.1	6418.30	9.93
2010	4582127.00	18.00	10298.8	6804.00	9.3
2011	4725086.00	18.30	13973.0	9315.60	11.03

2012	6912381.00	24.40	26447.8	9993.60	12.24
2013	8487032.00	20.70	29319.9	11339.20	13.59
2014	11411067.00	19.20	12440.8	10899.60	15.08
2015	14572239.00	17.95	11126.7	10436.50	18.58
2016	18564595.00	17.33	10702.4	12243.50	20.62
2017	20657318.00	16.66	12883.0	20512.70	23.99
2018	21842171.00	15.26	12382.0	66787.00	26.75
2019	21021361.00	19.65	10881.0	119391.60	29.96
2020	21841367.00	19.48	10593.0	122600.9	29.98
2021	2841367.00	19.48	10593.0	245600.20	30.26

4.2 DATA ANALYSIS

STATISTICAL REGRESSION RESULTS

REGRESSION

Variable Entered/Removed

Model	Variables Entered	Variable Removed	Method
1	Cash Management		
	Expenditure Management		
	Budget Implementation		Entered
	Revenue Forecast		

- a. All requested variables entered
- b. Dependent variables Treasury Management

Model Summary

Model	R	R Square	Adjusted R Square	Std. The Estimates	Durbin Watson
1	.868 ^a	.753	.751	4371804.337	926

- a. Predictors (Constant), Cash Management, Expenditure Management, Budget Implementation, Revenue Forecast
- b. Not computed because fractional case weights have been found for the variable specified on the weight command.
- c. Dependent variable treasury management

ANOVA^b

Model	Summary of Squares	DF	Mean Square	F	Sign.
1 Regress	2.4E+016	4	5.927E+105	310.108	.000 ^a
Ion Resident	7.8E+015	1.911E+013			
Total	3.1E+016				

- a. Predictors (Constant) Cash Management, Expenditure Management, Budget Implementation, Revenue Forecast.
- b. Dependent variable Treasury Management.

COEFFICIENTS^a

Modal	Unstandardized Coefficient		Standardized Coefficient		
	B	Study Error	Beta	t	Sig
2 (Constants)	2661411	1775013.0		1.499	1.35
Cash Mgt	109781.7	75644.011	0.47	1.451	1.47
Exp Mgt	314.754	36.467	.275	8.631	.000
Bud Mgt	74.969	12.219	.290	6.135	.000
Revenue Forecast	11692908	58673686	1.215	19.929	.000

COEFFICIENT

Model	Correlations			Collinearity	
	Zero partial	orders	Part	Tolerance	V.I.E
Constantly					
Cash Mgt	504	072	036	570	1.956
Exp Mgt	222	393	226	598	1.671
Bud Imp	616	291	151	271	3.686
Rev Forecast	837	703	493	163	6.121

a. Dependent variable 2 Treasury Management N ms

COLLINEARITY DIAGNOSTIC^A

Model Dimension	Eigenvalue	Condition index
1	3.839	1.000
2	767	2.237
3	307	3.535
4	0.79	6.972
5	008	22.14

COLLINEARITY DIAGNOSTIC^A

Model Demassion	Variance proportion				
	Const	Cash Mgt	Expenditure Mgt	Budget Imp	Revenue Forecast
1	00	00	01	01	00
2	00	00	01	16	01
3	01	01	49	03	00
4	00	01	34	56	47
5	99	97	14	24	52

RESIDUALS STATISTICS^A

	Minimum	Maximum	Mean	Std variables	N
Predicted value	254171.0	22152244	8641803.6	7596817.6	412
Residual	4444395	17996814	000	435046927	412
Std pred value	1.171	1778	000	1.000	412
Std Residual	1.017	4117	000	995	412

a. Dependent Variable. Treasury Management N ms

From the regression results cash management expenditure management, Budget Implementation and Revenue forecast are rightly signed. That is cash management also bears the expected position sign with treasury management, budget implementation also bears the expected positive signs with treasury. They calculated R^2 of 0.751 implied that about 75% of the selected effects of treasury management in the model are able to explain the effects of treasury management on accountability in Ogbia Local Government Council within the period under study. The remaining 25% is accorded to factors outside the model but covered by the error term.

Also, the overall predictive power of the model is significant at 50% level as indicated by the computed F ratio of 301.108. Again, the Durbin Watson statistic value calculated of 0.92 shows that there exist a significant correlation and multi-cell on entity in the model.

4.3.2 TEST OF HYPOTHESIS

Hypothesis One

Ho: There is no significant relationship between cash management and financial accountability in Ogbia Local Government Council.

The calculated value for cash management is 1.451 and the table value is 1.729. Thus, we accept the (H_A) which states that there exist a significant relationship between cash management and financial accountability and reject the H₀. These findings suggest that cash management has a significant effect on financial accountability.

Hypothesis Two

Ho: There is no significant relationship between Budget Implementation and financial accountability in Ogbia Local Government Council. The computed value for Budget Implementation is 6.135 which is greater than critical + table value of 1.7291. Thus, we reject the null hypothesis and accept (H_A) which states that there is significant relationship between Budget Implementation and financial accountability in Ogbia Local Government Council. This follows implementation of budget estimates stimulate accountability in Ogbia Council.

Hypothesis Three

Ho; There is no significant relationship between Improved Expenditure Management and financial accountability.

The computed value for Expenditure Management is 8.631 which is greater than the critical t table value of 1.7291. Thus, we reject the null hypothesis and accept the alternative hypothesis (HA) which says that there exist a significant relationship between expenditure management and financial accountability in Ogbia Local Government Council. This implies that the management of the Council expenditure enhance accountability.

Hypothesis Four

Ho; there is no significant relationship between Revenue Forecast and Financial and Accountability. The computed + value for Revenue Forecast is 19.929 which is higher than the critical + table value of 1.7291. We reject the null hypothesis and accept the alternative hypothesis (HA) which says that there exist a significant relationship between Revenue Forecast and Financial Accountability in Ogbia Local Government Council.

CHAPTER FIVE

SUMMARY OF FINDINGS. CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter deals with giving a summary of the findings from the previous chapter drawing conclusions as a result of the findings of the study and making recommendations relating to the study.

5.2 SUMMARY

In this study treasury management has a great effect on cash management, Budget Implementation, Expenditure Management and Revenue Forecast to stimulation financial accountability in Ogbia Local Government Council.

Literature review on conceptual theoretical and empirical frame work has been done. Data use for this study was mainly from secondary source and model use were equally specified. A multiple regression statistic was use to know the significant of the model of 50% level Correlation and multi collinearity from the regression results the study has the following findings.

- i. That there is a direct proportional relationship between cash management and financial accountability
- ii. Budget Implementation has a positive significance relationship with financial accountability
- iii. Expenditure Management has a positive relationship with financial accountability.

5.3 CONCLUSIONS

The study aims at examining the effect of Treasury Management on financial accountability in Ogbia Local government council within 2000 – 2021. These variables identified are cash management, Budget Implementation, Expenditure Management and Revenue Forecast.

Regression results from the data shows a very high F ratio of 310.08 which confirms the strong fitness if the model.

The results also suggest the four variables cash management, budget implementation, expenditure management and Revenue Forecast has a positive significance relationship with financial accountability.

The study concludes the model developed will be of good help to researcher. The right application of the variables would stimulate financial accountability.

5.4 RECOMMENDATION

1. The basic objective of any treasury manager is to enhance financial accountability. Therefore the government of all level should be that experts are employed to manage the treasury that use the wealth or knowledge enhance prudence in scarce financial resources.

2. The government need to make effective public fiscal policy that will stimulate accountability in management cash.

3. The government must make sure that priority items in the budget estimates a given attention by implementing them to the latter.

4. The government should also insure that there is proper allocation of fund to the treasury managers to stimulate effective carryout of project that would enhance development.

5. Intending researchers should also research on the effect of treasury management on accountability by increasing their variables and number of years from 30 – 35 years.

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