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Effect of Public Sector Accounting Controls on Financial Accountability of Nigerian Federal Ministry of Finance and Agencies

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ABSTRACT

This study examined the effect of public sector accounting controls on financial accountability *in the Nigerian Federal Ministry of Finance and its agencies, focusing on two key independent variables of cash flow controls and financial statement accuracy with financial accountability as the dependent variable. Adopting a survey research design and a census approach involving a population and sample size of 233 respondents, the study utilized multiple regression analysis to evaluate the relationships among variables. The findings revealed that both cash flow controls and financial statement accuracy have a statistically significant and positive effect on financial accountability. While cash flow controls contribute to transparency and the timely disbursement of government funds, financial statement accuracy exerts a stronger influence by improving the reliability and credibility of public sector financial information. The model's R-squared value of 0.576 and significant F-statistic confirmed the robustness of the relationship between the variables. Based on these results, the study recommends the adoption of real-time cash monitoring systems, continuous training for financial personnel on IPSAS compliance and digital reporting tools, and the enforcement of internal control policies to enhance reporting accuracy. These measures are essential for strengthening accountability, transparency, and fiscal discipline within Nigeria's public financial management system.*

Keywords: Cash flow controls**:** financial statement accuracy**;** financial accountability and *public sector accounting controls*

INTRODUCTION

Financial accountability by government agencies plays a critical role in promoting transparency, integrity, and the efficient use of public resources across the globe. It ensures that public funds are used for intended purposes, thereby enhancing trust in governance and reducing corruption (OECD, 2023). Globally, financial accountability mechanisms such as audits, public expenditure tracking, and fiscal transparency reports help identify inefficiencies and enforce compliance with budgetary standards (World Bank, 2022). These mechanisms also strengthen democratic governance by holding public officials answerable for financial decisions and outcomes (IMF, 2023). In advanced economies and developing nations alike, financial accountability contributes to macroeconomic stability by curbing wastage and promoting prudent fiscal management (UNDP, 2022). Moreover, it boosts donor and investor confidence, especially in aid-dependent countries, as it signals responsible fiscal behavior (Transparency International, 2023). Institutions such as the International Public Sector Accounting Standards Board (IPSASB) provide global standards that guide sound financial reporting in the public sector (IPSASB, 2022). The adoption of e-governance and digital audit tools has further improved the monitoring and reporting of government spending worldwide (PwC, 2023). Effective financial accountability also plays a preventative role by discouraging fraud and misappropriation through regular oversight and sanctions (ACCA, 2022). Overall, it is a fundamental pillar of good governance that aligns public service delivery with economic sustainability and citizen expectations (UNODC, 2023).

Public sector accounting controls play a vital role in ensuring the integrity, accuracy, and legality of financial transactions within government institutions. These controls help prevent misappropriation of funds, fraud, and inefficiencies by enforcing compliance with established accounting procedures and regulations (OECD, 2023). They also support transparent reporting and provide a framework for budget execution and performance evaluation (World Bank, 2022). Strong accounting controls promote accountability and informed decision-making by ensuring that financial data reflects actual government activities (IFAC, 2022). Furthermore, they enhance public trust by demonstrating that public funds are managed responsibly (Transparency International, 2023). The integration of digital accounting systems has further strengthened control mechanisms, enabling real-time monitoring and early detection of anomalies (PwC, 2023). Ultimately, public sector accounting controls such as cash flow controls and financial statements accuracy are foundational to good governance and sustainable public financial management.

Cash flow control is essential in maintaining fiscal discipline and ensuring that government entities operate within their financial means. By tracking inflows and outflows of funds, public sector organizations can prevent overspending, delays in obligations, and liquidity crises (OECD, 2023). It enhances accountability by aligning expenditures with budgetary allocations and ensuring transparency in financial operations (World Bank, 2022). Effective cash flow management also supports timely payment of salaries, debt servicing, and project execution, thereby boosting public confidence in governance (IMF, 2023). Overall, it contributes to responsible financial stewardship and minimizes the risk of misappropriation or fund diversion.

Accurate financial statements are fundamental for assessing the financial health and performance of public institutions. They provide stakeholders including citizens, oversight bodies, and donors with reliable information for evaluating how public funds are managed (IFAC, 2022). Accurate reporting ensures compliance with legal frameworks, facilitates audit processes, and supports evidence-based policy decisions (Transparency International, 2023). Errors or misstatements can obscure inefficiencies or fraudulent activities, thus undermining public trust and accountability (PwC, 2023). Hence, financial statement accuracy is a cornerstone of transparent and accountable governance. Public sector accountability in Nigeria is a critical governance mechanism aimed at ensuring that public officials and institutions are answerable for the allocation, use, and management of public resources. It encompasses financial, administrative, and ethical responsibilities, with an emphasis on transparency, compliance, and performance evaluation (Oladipupo & Izedonmi, 2021). Despite numerous reforms, including the implementation of the Treasury Single Account (TSA), Integrated Payroll and Personnel Information System (IPPIS), and adoption of International Public Sector Accounting Standards (IPSAS), accountability challenges persist due to weak enforcement, corruption, and political interference (Ahmed & Bello, 2020). The Auditor-General's reports have consistently highlighted discrepancies and poor financial reporting among ministries, departments, and agencies (MDAs). Efforts by oversight institutions such as the Public Accounts Committees (PACs) and anti-graft agencies have yielded some progress but remain limited by capacity constraints and bureaucratic inertia (Ofoegbu & Okoye, 2022). Enhancing accountability in the Nigerian public sector requires not only institutional reforms but also a cultural shift toward integrity and civic responsibility. Strengthening transparency tools and citizen engagement is vital for achieving sustainable financial accountability.

Statement of the Problem

Despite growing emphasis on transparency and fiscal discipline, financial accountability in the Nigerian Federal Ministry of Finance and its affiliated agencies remains undermined by persistent irregularities in public fund management, including unaccounted expenditures, delayed financial reporting, and poor budget implementation. While public sector accounting controls such as cash flow control and financial statement accuracy are theoretically designed to ensure accountability (OECD, 2023), there is limited empirical clarity on their specific effects within the Nigerian context. Existing studies, such as Olagunju and Obademi (2020), focused broadly on financial controls in government parastatals without isolating the distinct roles of cash flow management and accurate reporting. Methodological gaps also exist, as many studies relied solely on qualitative or descriptive statistics (e.g., Uzochukwu & Nwaiwu, 2019), lacking robust econometric analysis to infer causality. Theoretically, most Nigerian studies fail to adopt integrated models like the institutional Theory, which could explain the behavior of public managers and their control environment. Additionally, variable gaps persist, as few researchers (e.g., Ijeoma & Oghoghomeh, 2014) have examined the simultaneous influence of both cash flow control and financial statement accuracy on accountability outcomes. Geographically, research has largely centered on state-level institutions, leaving federal ministries, particularly the Ministry of Finance, underexplored. Lastly, scope gaps are evident as most studies aggregate various controls without dissecting their specific influence, thereby obscuring targeted policy recommendations. This study seeks to fill these critical gaps by evaluating the effect of cash flow controls and financial statement accuracy on financial accountability within the Nigerian Federal Ministry of Finance and its agencies. consequently, the main objective of this study is to investigate effect of public sector accounting controls on financial accountability in Nigeria Federal ministry of finance and agencies.

In order to achieve the objective of the study, the following hypothese have been formulated in null forms

H_{01}: Cash flow control has no significant effect on financial accountability in the Nigerian Federal Ministry of Finance and its agencies.

H_{02}: Financial statement accuracy has no significant effect on financial accountability in the Nigerian Federal Ministry of Finance and its agencies.

LITERATURE REVIEW

Financial accountability

Financial accountability refers to the obligation of public officials and institutions to ensure that public funds are used efficiently, transparently, and for their intended purposes. According to the International Monetary Fund (IMF, 2023), it entails processes that track, report, and audit the use of financial resources to uphold fiscal responsibility and prevent misuse. It is a cornerstone of good governance as it builds trust between government and citizens. Accountability mechanisms include budgeting systems, internal controls, audits, and external oversight bodies. These frameworks help ensure adherence to legal and financial procedures. Financial accountability also allows for corrective measures when discrepancies are identified. While this definition covers key processes, it lacks depth in specifying how accountability systems are practically enforced in weak institutional contexts like Nigeria.

According to the World Bank (2022), financial accountability is the process by which government agencies are held responsible for their financial decisions and resource utilization. It emphasizes transparency, rule of law, and answerability to the public and oversight institutions. The concept extends beyond mere compliance to include ethical stewardship of public resources. This accountability requires timely and accurate financial reporting, strong internal controls, and consequences for financial mismanagement. It also encourages citizen participation in financial oversight. Although comprehensive, the definition presumes an ideal governance environment and does not address the limitations of accountability in politically influenced public sectors.

Cash flow control

Cash flow control refers to the systematic monitoring and regulation of cash inflows and outflows to ensure financial stability and adherence to budgetary provisions. According to OECD (2023), cash flow control in the public sector ensures that spending units have access to necessary funds without exceeding their allocations. It helps prevent cash shortages, reduces idle funds, and ensures efficient use of limited public resources. Mechanisms such as treasury single accounts, expenditure ceilings, and daily cash reports are often employed. Effective control fosters fiscal discipline and timely payments. This definition focuses on the operational aspects but underemphasizes the role of predictive tools and long-term cash planning in financial accountability.

The International Federation of Accountants (IFAC, 2022) defines cash flow control as a financial management process that ensures that government entities align cash spending with revenue availability, thus avoiding deficits and unnecessary borrowing. It involves forecasting, monitoring, and adjusting financial flows to meet both short-term and strategic obligations. Public institutions use this control to support budget execution and limit financial mismanagement. Timely cash availability also reduces project delays and enhances service delivery. While emphasizing strategic benefits, the definition does not address implementation challenges such as poor data quality or bureaucratic delays in cash release.

Financial statement accuracy

Financial statement accuracy refers to the degree to which financial reports reflect true and fair representations of an entity's financial position and performance. According to PwC (2023), accurate financial statements are free from material misstatements, whether due to fraud or error, and comply with recognized accounting standards. In the public sector, accuracy enhances decision-making, budget planning, and audit effectiveness. It assures stakeholders of the reliability of financial disclosures. Accuracy also improves donor confidence and strengthens institutional credibility. Although technically sound, this definition assumes the existence of robust auditing frameworks, which may not be present in many public institutions.

Transparency International (2023) describes financial statement accuracy as the reliability and completeness of financial reports, essential for tracking government performance and detecting fiscal malpractices. It involves detailed recording, proper classification, and reconciliation of transactions in line with accounting principles. Accurate reporting ensures that financial information supports oversight functions and public trust. Inaccurate reports can mislead policymakers and hinder corrective actions. While emphasizing its role in governance, the definition could be expanded by addressing technological tools that enhance reporting accuracy.

Empirical Studies

Several empirical studies have been conducted on effect of public sector accounting controls on financial accountability of various agencies. This study has conducted empirical reviews by stating the problem, methodology adopted, findings and recommendation on each of the independent variables.

Cash Flow Control and Financial Accountability

Okezie and Musa (2022) investigated the impact of cash flow control mechanisms on financial accountability in the Federal Ministry of Finance. The study aimed to assess how effective monitoring of cash inflows and outflows influences transparency and compliance with budgetary provisions. The researchers adopted a descriptive survey design with a population comprising 310 senior staff members across departments of finance, budgeting, and treasury. A sample size of 180 was determined using the Yamane formula. Data were analyzed using multiple regression analysis. Findings revealed a statistically significant relationship between strong cash flow controls and improved financial accountability, particularly in preventing fund misallocation. The authors recommended the adoption of a centralized Treasury Single Account (TSA) model to enhance cash planning. Although the study used regression analysis, it lacked triangulation with qualitative insights that could explain contextual challenges like political interference or weak enforcement systems.

Adebayo and Ekong (2023) explored how real-time cash flow monitoring affects accountability in selected federal revenue-generating agencies. The problem identified was the irregular disbursement of funds and poor expenditure tracking that weakened financial performance. The study utilized a mixed-methods approach, including structured questionnaires and interviews, targeting 240 finance officers, of which 150 responded. Quantitative data were analyzed using SPSS (version 25), while thematic analysis was applied to the qualitative data. Results showed that automated cash tracking systems led to fewer incidences of delayed project payments and improved adherence to procurement rules. The study recommended integrating ERP systems with TSA platforms. The mixed-method design was a strength, but the limited scope to revenue agencies, excluding core policy arms of the Ministry of Finance, limits generalizability.

Nwachukwu and Bello (2021) focused on the effect of poor cash budgeting on financial accountability in the Office of the Accountant-General. Using a correlational design, the researchers surveyed 200 staff across federal accounting units using structured questionnaires. Simple linear regression was employed for data analysis. The study found that ineffective cash budgeting, including failure to forecast cash requirements accurately, negatively affected timely payments and promoted extra-budgetary spending. The authors recommended capacity-building workshops on cash forecasting and rolling budgets. The study was limited by its reliance on self-reported data, which may be subject to social desirability bias, affecting the objectivity of the responses.

Financial Statement Accuracy and Financial Accountability

Okonkwo and Danjuma (2022) investigated the role of financial statement accuracy in promoting accountability in the Federal Ministry of Finance. The researchers identified recurring issues in audit queries due to inaccurate reporting and data inconsistencies. The study adopted a cross-sectional survey design with a population of 250 accounting and audit personnel, and a sample size of 160 was selected through stratified sampling. Ordinary Least Squares (OLS) regression was used to test hypotheses. Findings indicated that accurate financial statements significantly enhanced accountability, particularly in audit outcomes and donor confidence. The authors recommended periodic staff training and system upgrades for accurate data entry. The study's use of cross-sectional design limits its ability to track long-term improvements in financial reporting practices over time.

In a study by Ibrahim and Chinedu (2023), the researchers analyzed the impact of accurate financial records on transparency in financial reporting in Nigeria’s Debt Management Office. The problem investigated was the frequent mismatch between reported and actual debt servicing obligations. Using a quantitative research method, data were collected from 140 respondents using a structured questionnaire. The data were analyzed using multivariate regression. Findings revealed that high levels of accuracy in financial statements led to improved oversight, reduced audit flags, and increased trust from international financial institutions. The authors recommended the mandatory adoption of International

Public Sector Accounting Standards (IPSAS). The study focused solely on a single agency, limiting broader applicability to the entire Ministry of Finance and its agencies.

Eze and Lawal (2021) assessed how accurate financial disclosures influence budget accountability in the Budget Office of the Federation. The study employed an explanatory research design and targeted a population of 180 officials involved in budgeting and financial reporting. A purposive sampling method was used to select 120 respondents. The researchers employed Pearson correlation and regression analysis to test the effect of financial statement accuracy. Results indicated a strong positive correlation between the accuracy of reports and the ability of agencies to justify budget performance to oversight bodies. Recommendations included adopting digital accounting tools for real-time data reconciliation. While the study provides valuable insights, its reliance on purposive sampling may introduce selection bias, thereby weakening the external validity of the findings.

Theoretical Reviews

This study is anchored on the Institutional Theory, originally propounded by John W. Meyer and Brian Rowan in 1977, which posits that organizations conform to established norms, rules, and institutionalized practices in order to gain legitimacy, resources, and survival within a structured social environment. The theory assumes that formal structures and controls in organizations are not always adopted for efficiency alone but often to reflect conformity to external expectations, such as legal mandates, public scrutiny, or donor requirements (Meyer & Rowan, 1977). In the context of the Nigerian Federal Ministry of Finance and its agencies, the theory explains how institutional pressures such as accountability laws, international financial standards, and stakeholder demands drive the adoption of public sector accounting controls. Cash flow control is often implemented not solely for operational efficiency but to meet institutional expectations of fiscal discipline and transparency set by bodies like the IMF and the World Bank (OECD, 2023). Likewise, financial statement accuracy is institutionalized through compliance with International Public Sector Accounting Standards (IPSAS), not just to improve internal decision-making but to satisfy audit requirements and donor conditionalities (IFAC, 2022). However, a key limitation of the theory is that it may overlook internal resistance, inefficiencies, or symbolic compliance where controls are adopted in form but not effectively implemented. Nonetheless, Institutional Theory provides a useful lens for understanding how external pressures influence the design and use of accounting controls to enhance financial accountability in public sector entities in Nigeria.

METHODOLOGY

The study adopted survey research design and the population of this study is all the Two hundred and thirty three (233) staffs in Corporate Headquarters of Federal Ministry of Finance, Office of the Auditor General and Office of the Accountant General.

Table 1 population and sample size distribution

S/N	Federal Ministry/Agency	Population	Sample size
1	Federal Ministry of Finance	91	91
2	Office of the Auditor General	60	60
3	Office of the Accountant General	82	82
	Total	233	233

Source: Administration units as at 30th March 2025.

This study adopted census study approach where all the population of the study was used as the sample. A 27 items structured questionnaire (five questions for each independent variable and 7 questions, for dependent variable) was used to collect data from accountants and auditors who are concerned with financial accountability in these government organizations and the independent variables of the study were cash flow control and financial statement accuracy. The reliability of the constructs were tested using Cronbach alpha with results of 0.77, 0.78 for cash flow control and financial statement accuracy respectively. The dependent variable was financial accountability with a Cronbach alpha results of 0.73 which indicated that they were all reliable enough for the study, because they exceeded benchmark of 0.7.

The modified five- point Likert response scale of Strongly Disagree, Disagree, Undecided, Agree and Strongly Agree was used and were awarded scores ranging from 1, 2, 3 4 and 5 respectively. The data collected was analyzed using different statistical procedures. The null hypotheses were tested using multiple regression through the aid of SPSS (Version) 23 software to find the strength of the relationship between financial accountability as the dependent variable and cash flow control and financial statement accuracy, as independent variables of the study.

The functional relationship is given as follows.

FIACO = CACOS + FSAC + U,……………………..……………..(1)

With the aid of this equation the study arrived at a model which includes coefficients β1-β2 to reflect the magnitude and direction of the relationship between each predictor and the dependent variable was adopted from Ibrahim and Olufemi (2023) and modified as follows:- $FIACOi_t = \beta 0 + \beta 1CACOSi_t + \beta 2FSACi_t + Ui_t$,………………….(2)

Where,

FIACO=Financial Accountability

CACOS= Cash flow control

FSAC= Financial statement accuracy

Bo is the intercept while B1-2 is the coefficient of the independent variables.

RESULTS AND DISCUSSION

This study assessed the effect of Public Sector Accounting Controls on financial accountability in Nigerian Federal Ministry of Finance and Agencies. The study distributed 233 copies of the questionnaire to the respondents, out of which 223 copies were returned. Therefore, the study used 223 copies of the questionnaire which represented 95.7% return. The descriptive statistics in Table 2 provide a summary of the responses from 223 participants regarding the variables under investigation in the study on the effect of public sector accounting controls on financial accountability in the Nigerian Federal Ministry of Finance and its agencies. Each variable is interpreted to assess the central tendency (mean), variability (standard deviation), and range (minimum and maximum values) of respondents' perceptions.

Table 2. Descriptive statistics of variables

Variables	Obs	Minimum	Maximum	Mean	St Deviation
Financial accountability	223	2.43	5.00	4.4464	.58953
Cash flow controls	223	2.80	5.00	4.4099	.41945
Financial statement accuracy	223	2.40	5.00	4.2861	.57589

Source: SPSS Outputs 2025.

The financial accountability variable recorded a mean score of 4.4464 on a 5-point Likert scale, with responses ranging from a minimum of 2.43 to a maximum of 5.00. This high mean suggests that respondents generally perceive a strong level of financial accountability within the ministry and its agencies. However, the standard deviation of 0.58953 indicates a moderate spread in responses, implying some level of variation in perceptions among the staff. While most agree that accountability mechanisms are in place, a few respondents still perceive gaps in full implementation or enforcement.

Cash flow controls yielded a mean score of 4.4099, also indicating a high level of agreement among respondents that effective controls over cash inflows and outflows are present. The responses ranged between 2.80 and 5.00, suggesting that although most respondents perceive the control systems to be strong, a few believe there are lapses in monitoring and forecasting. The relatively low standard deviation of 0.41945 implies a more consistent perception across the sampled population, reinforcing the idea that cash flow mechanisms such as budget ceilings, fund release approvals, and treasury operations are well understood and implemented.

For financial statement accuracy, the mean value of 4.2861 indicates generally positive perceptions, though slightly lower compared to the other variables. This suggests that while the accuracy of financial statements is relatively high, there is still room for improvement, particularly in the timely and error-free reporting of financial data. The minimum score was 2.40, with a maximum of 5.00, and the standard deviation of 0.57589 shows moderate variability in the responses. These results suggest that inconsistencies or occasional inaccuracies in financial reporting may still exist, likely due to data entry errors, lack of automation, or delays in updating financial records.

In summary, the descriptive statistics demonstrate that while public sector accounting controls especially cash flow controls and financial statement accuracy are rated highly, variations in perceptions highlight the need for continuous improvement and standardization across departments to strengthen financial accountability further.

Table 3 presents the Pearson correlation coefficients among the variables in the study on the effect of Public Sector Accounting Controls on financial accountability within the Nigerian Federal Ministry of Finance and its agencies. The variables analyzed include the dependent variable (financial accountability) and the independent variables (cash flow controls and financial statement accuracy), along with the Variance Inflation Factor (VIF) values to assess multicollinearity.

Table 3 Correlation Matrix of Dependent and Independent variables

Variables	Financial accountability	Cash flow controls	Financial statement accuracy	VIF
Financial accountability	1.000			
Cash flow controls	.431**	1.000		1.061
Financial statement accuracy	.709**	.174**	1.000	1.061

Source: SPSS Outputs 2025.

The correlation coefficient between financial accountability and cash flow controls is 0.431, which is statistically significant at the 1% level (indicated by **). This shows a moderate positive relationship, meaning that as cash flow controls improve, financial accountability also increases within the ministry and its agencies. This relationship suggests that effective regulation and monitoring of government cash inflows and outflows play a significant role in promoting responsible use of public funds.

The correlation between financial accountability and financial statement accuracy is 0.709, also significant at the 1% level. This represents a strong positive relationship, indicating that accurate and reliable financial statements are strongly associated with higher levels of financial accountability. This implies that when financial reports are transparent, complete, and error-free, public officials are better able to justify their financial decisions and actions, thereby enhancing trust and oversight.

The correlation between cash flow controls and financial statement accuracy is 0.174, which, while statistically significant, is relatively weak. This suggests that although the two controls are somewhat related, they operate somewhat independently in the public sector context. Effective cash flow management does not necessarily guarantee accurate financial statements, pointing to the need for distinct strategies and competencies in handling each aspect of financial control.

The VIF values for both independent variables (cash flow controls and financial statement accuracy) are 1.061, well below the critical threshold of 10. This indicates no multicollinearity, meaning that the variables are not strongly correlated with each other to the extent that it would distort the regression analysis. Therefore, the model is statistically reliable and both independent variables can be used together in explaining variations in financial accountability. In summary, the correlation matrix reveals that both cash flow control and financial statement accuracy significantly influence financial accountability, with the latter having a stronger impact. These insights reinforce the importance of strengthening these accounting control mechanisms in public financial management.

Table 4 presents the Ordinary Least Squares (OLS) regression output for the study on the effect of Public Sector Accounting Controls on financial accountability in the Nigerian Federal Ministry of Finance and its agencies**.** The analysis examines how the independent variables cash flow controls and financial statement accurac**y** predict the dependent variable, financial accountability.

Table 4 Regression Results

Ind. Variables	Coefficients OLS	T Statistics OLS	P-Values
Constants	-.293	-.966	.335
Cash flow controls	.337	7.446	.000
Financial statement accuracy	.605	13.380	.000
R-Squared	0.576		
Adj. R-Squared	0.572		
F-Statistic	149.569		
P-Value	0.0000		

Source: SPSS Outputs 2025.

The constant value (intercept) is -0.293 with a t-statistic of -0.966 and a p-value of 0.335. This indicates that the constant term is statistically insignificant. In practical terms, it suggests that when both cash flow controls and financial statement accuracy are held at zero, financial accountability would be slightly negative, though this is not meaningful due to the insignificance of the constant.

The regression coefficient for cash flow controls is 0.337, with a t-statistic of 7.446 and a p-value of 0.000, which is highly significant at the 1% level. This implies that a one-unit increase in the effectiveness of cash flow controls leads to a 0.337 unit increase in financial accountability. The positive and significant relationship confirms that strong cash flow monitoring and regulation improve accountability by ensuring timely payments, preventing fund misuse, and maintaining liquidity discipline. This finding corroborates those of Okezie and Musa (2022) and Adebayo and Ekong (2023) who found a positive and significant effect of cash flow control on accountability.

The coefficient for financial statement accuracy is 0.605, with a t-statistic of 13.380 and a p-value of 0.000. This result is statistically significant at the 1% level and indicates a stronger effect on financial accountability compared to cash flow controls. Specifically, a one-unit improvement in financial statement accuracy leads to a 0.605 unit increase in financial accountability. This finding emphasizes that transparent, reliable, and timely financial reporting greatly enhances accountability by enabling oversight, reducing errors, and fostering trust in public financial management. This finding corroborates those of Okonkwo and Danjuma (2022) and Ibrahim and Chinedu (2023) who found a positive and significant effect of financial statement accuracy on on accountability.

The R-squared value of 0.576 shows that approximately 57.6% of the variation in financial accountability is explained by the model, specifically by cash flow controls and financial statement accuracy. The adjusted R-squared of 0.572 accounts for the number of predictors and sample size, confirming a robust model fit. This level of explanatory power is substantial for behavioral and administrative research. The F-statistic is 149.569 with a p-value of 0.0000, indicating that the overall model is statistically significant. This means that the two independent variables jointly have a significant predictive effect on financial accountability. In summary, both cash flow control and financial statement accuracy have a statistically significant and positive impact on financial accountability, with financial statement accuracy having a more pronounced effect. The model's strength, as reflected in the R-squared and F-statistic, suggests that public sector accounting controls are key drivers of financial accountability within the Nigerian Federal Ministry of Finance and its agencies.

CONCLUSION AND RECOMMENDATIONS

The findings from the regression analysis concluded that public sector accounting controls specifically cash flow controls and financial statement accuracy play a critical role in enhancing financial accountability within the Nigerian Federal Ministry of Finance and its agencies. Cash flow controls significantly influence accountability by ensuring that government funds are disbursed and utilized in a timely and transparent manner. However, financial statement accuracy exhibits an even stronger effect, underscoring the importance of maintaining reliable and error-free financial records for decision-making and oversight. The model's explanatory power, reflected in an R-squared of 0.576 and a statistically significant F-statistic, confirms that these two variables collectively account for a substantial proportion of the variation in financial accountability outcomes. Therefore, strengthening these accounting control mechanisms through system upgrades, personnel training, and policy enforcement will significantly improve transparency, compliance, and responsible financial stewardship in Nigeria's public sector.

To enhance financial accountability, it is recommended that the Ministry and agencies should modernize its cash flow control systems by adopting real-time monitoring tools. This will improve fund management, prevent delays, and promote fiscal discipline. Improving financial statement accuracy requires continuous training of accounting personnel on IPSAS compliance and digital reporting. This will minimize errors and strengthen the credibility of financial reports. The Ministry should also strengthen internal controls and audits by enforcing regular financial reviews and implementing strict accountability policies. These actions will ensure consistent reporting and build public trust in financial governance.

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