Impact of Treasury Single Account (TSA) on Public Sector Performance in Nigeria

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Abstract

The study examines the impact of Treasury Single Account (TSA) on the performance of public sector in Nigeria. This study primarily examined the extent to which TSA has improved Federally Collected Revenue (FCR) and Federal Government Capital Expenditure (FGCE) of the public sector. Secondary data was source from Central Bank of Nigeria statistical bulletin and economic reports were utilized for this study. The observations were recorded on yearly basis from 2012 to 2019. The data were divided into two periods: Pre TSA period (2012 to 2015) and Post TSA period (2016 to 2019). A pre-post analysis (difference in means test) was carried out using E-view statistical package version 10. The findings show that implementation of TSA has a negative and significant effect on Federally Collected Revenue (FCR). However, further findings revealed that Federal Government Capital Expenditure (FGCE) significantly increased after the implementation of TSA. The study concludes that implementation of Treasury Single Account (TSA) has not improved revenue generation in Nigeria. The study recommends that periodic appraisal of each revenue generating sector should be made so that some sectors that are not performing as they ought to will not feel covered by those that are doing better.

Keywords: Treasury Single Account (TSA), Public Sector, Federally Collected Revenue (FCR) and Federal Government Capital Expenditure (FGCE)

INTRODUCTION

Public financial management as acknowledged by Diamond (2005), deals with the collection of the sufficient resources from the economy in an appropriate manner along with allocating and use of the resources efficiently and effectively. Resources generation, resource allocation and expenditure management (resource utilization), the authors continued, are the essential components of a public financial management system. Public finance management (PFM) basically deals with all aspects of resource mobilization and expenditure management in government. Managing finances are a critical function of management in any organization of public sector. Public finance management is an essential part of the governance process in local government as in other tiers of government. Davis (1989) reported that public finance management in local government includes resource mobilization, prioritization of programs, the budgetary process, efficient management of resources and exercising control.

The growth and increasing awareness of new public management reforms for over two decades is still ongoing as governments all over the world are constantly seeking reformation and restructuring to enable better delivery of public services. The pressure for sustainable public service as a result of increase in budget for security, infrastructure, coupled with financial difficulties and mismanagement, failures in government project execution, debt crisis, brought to light like never before the need for financial reporting by government and better management of public sector resources. Another point of pressure is from the citizens who are increasingly demanding to feel the impact of governments' financial management decisions and are pushing more forcefully for public sector organizations to deliver value for money. Nigerian government is currently faced with austerity measures targeted at refocusing the economic situations of the country (Enofe, Afiangbe& Agha; 2017) As a result of these pressures, the public sector must seek for long-lasting need to deliver public services with more efficient use of resources. A strong public sector financial management is essential for improving service delivery, poverty reduction, and achievement of millennium development goals (Pretorius & Pretorius; 2008). Complete and reliable annual accounts prepared based on the best practice can help governments take the right financial and policy decisions for sound government finances. Public financial management reform is the way forward for ensuring that public money is spent with economy, efficiency and effectiveness. It provides public sector managers with information to make decisions and measure efficient use of resources.Financial management reforms which include the introduction of Government Treasury Single Account (TSA), Integrated Payroll and Personnel Information System (IPPIS), adoption of International Public Sector Accounting Standards (IPSAS), and Government Integrated Financial Management Information System (GIFMIS) were launched to further reduce the ability for corrupt officers to amass public fund for their personal or private pockets. According to (Eme, Chukwurah & Iheanacho, 2015), the new Electronic Revenue Collection platform is aimed at improving internally generated revenue in the face of declining oil prices. This was in line with a series of treasury reforms, which began in 2012, aimed at ensuring transparency and accountability in the management of the nation's finances.

The public sector had over the years been weakened by an over expanded public expenditure profile, persistent deficits financed by domestic and external borrowing with resultant high debt service burden, breakdown of the traditional instruments of control leading to corruption and misappropriation of funds, incidence of ghost workers, poor costing of programmes and projects, a large portfolio of abandoned/on-going projects especially in efficient and wasteful parastatal. Not only that the system has accumulated pension arrears but some states and agencies of the Federal Government are beginning to accumulate salary arrears and payments due to contractors and suppliers. The generality of the population has realized that the effectiveness and efficiency of government financial control is not felt in their lives and their economy. The germane issue, here is the fact that Administrative and Financial Restructuring in the public sector has been dominated by the dire state of public finances resulting from the financial crisis of 2008. This was primarily a result of the banking crisis. As the crisis also threatened the existence of many currencies, the state of public finances became of increased relevance at global level and several legislative initiatives strengthened global governance in this context Public sector restructuring, however, is consequently, scarcities of financial, technical and managerial resources severely constrain the ability of Nigerian government to sustain a comprehensive public sector restructure programme. Even when the wherewithal is there, the challenges of the complexities and sensitivities of some of the public sector restructure processes remains. Unfortunately, the dawn of the new millennium witnessed various manifestations of discontentment in the areas of resource control, salaries and wages, education, deregulation, privatization and so on. These manifestations of discontentment were demonstrated with increasing frequency and intensity bordering on ineffectiveness, inefficiency and wastage of the national resources (Abdullah, 2007). Despite growing interest, the main attention of researchers is mainly focused on the analysis of restructuring determinants and other factors. Consequent upon the above factors, the desire to reform the public sector administration capabilities with a view to the burgeoning challenges became sacrosanct. The rationale for this study therefore, is to examine the impact of treasury single account on the performance of public sectors in Nigeria since it is designed to transform and change the economy positively. Most of the researcher have studied the impact of treasury single account on the economy as a whole using gross domestic product (GDP) as proxy but this study critically considers performance of public sectors in Nigeria.Given that the objectives and research question has been specifically identified there is a need to test the hypothesis of the study which is to know the impact of treasury single account on the performance of public sector in Nigeria. The hypothesis of the study is stated thus:

Ho_1: TSA adoption does not have significant effect on government capital expenditure in Nigeria

LITERATURE REVIEW

Conceptual Framework

Concept of Treasury Single Account (TSA)

The idea of treasury single account came into being when some agencies refused to declare and remit the 25 percent of their annual revenue they generated to the treasury as demanded by law. (Adeolu, 2015). In 2012 about N120 billion was forcefully collected by government from MDAs being 25 percent of their gross revenue to the treasury with another N34 billion collected in 2013, (Abayelu, 2015). Before then, most of the MDAs were reluctant to remit the requested amounts by law to the treasury, (Daily Trust Editorial, 2015:16). According to the former Auditor General of the Federation prior to TSA, Nigeria had fragmented banking arrangements for revenue and payment transactions. He stated that, there were more than 10,000 bank accounts in multiple banks, which made it impossible to establish government consolidated cash position at any point in time. It led to pockets of idle cash balances held in MDAs' accounts when government was out borrowing money, (Obinna, 2015).

Treasury Single Account is a public accounting system under which all government revenue, receipts and income are collected into one single account, usually maintained by the country's Central Bank and all payments done through this account as well. The purpose is primarily to ensure accountability of government revenue, enhance transparency and avoid misapplication of public funds. The maintenance of a Treasury Single Account will help to ensure proper cash management and also to enhance reconciliation of revenue collection and payment (Adeolu, 2015). The Revenue Mobilization and Fiscal Commission released an audit report which indicted some banks for withholding about N12 billion revenue collected on behalf of the Nigerian Customs Service and Federal Inland Revenue Service (Adeolu, 2015).It is important to note that TSA as a principle of public accounting system and revenue management has been both a constitutional provision and an extant fiscal practice. Section 80 of the 1999 Constitution, which gives legal backing to the TSA reads: "All revenues or other moneys raised or received by the Federation (not being revenues or other moneys payable under this Constitution or any Act of the National Assembly into any other public fund of the Federation established for a specific purpose) shall be paid into and form one Consolidated Revenue Fund of the Federation". Other sub-sections of that provision explain restrictions regarding the withdrawal of money from this Consolidated Revenue Fund, (CBN.2015).

Concept of Public Financial Management

Public financial management (PFM) is an important means to economic growth and development of every sovereign nation. Lawson (2015) defined public financial management as the set of laws, rules, systems and processes used by sovereign nations (and sub-national governments), to mobilise revenue, allocate public funds, undertake public spending, account for funds and audit results. In this view, public financial management is a system that comprises many processes, involve several government institutions, under the auspices of laws and rules that define functions and responsibilities and guide the relationships between or among the various parts of the system. The overall objective of public financial management deduced from this view is to collect revenue for the government and allocate the revenue in form of expenditures for the economic benefits of all through a demonstrated transparent and accountable manner.

Public financial management is a broader function that encompasses many responsibilities which form a set of circle. The circle commonly consists of six stages beginning with policy design and ending with audit and evaluation of performance. Lawson (2015) presented the summary of the common view public financial management phases in form of a circle. The public financial management system as a circle is an essential framework for effective management of institutions and resources without compromising the accountability and transparency requirement of government business activities. The framework operates as an integrated body of other systems that are independently instituted by laws to function in country's economic and political environment. Functions and responsibilities of another part of phase in the circle have a causal relationship with others. It is important that all the parts discharge their responsibility well and according to the prescribed laws and rules. If this is done, the feedback from the system will provide bases for evaluation of performance which will build ground for improvement on the system.

Financial Management Reforms in Nigeria

Sound public financial management is a catalyst for sustainable developmental processes, which is critical to achieve aggregate control of public funds, prioritisation of objectives, accountability and transparency in the management of funds and delivery of social services. In Nigeria and any other developing nation, reformation of public financial management system is paramount in order to address the deteriorating nature of public sector level of transparency and accountability. In the quest to achieve these objectives, Nigerian government has sought for various reforms since the return of democracy in 1999. As at this time, there are seven ongoing reforms that are related to public financial management.

These are budgeting and budget management reforms; cash management and treasury single account (TSA); new classification system and public accountability, adoption of IPSAS, accounting transaction recording and reporting system, modernisation and the internal audit, and human resource development (GIFMIS, 2016). Specifically, IPSAS adoption is believed to be a strong tool of achieving vibrant public financial management through the lens of transparency and accountability. IPSAS is critical to the success of sound public financial management and can enable strong fight against corruption through transparent and accountable reporting of government performance via standardised recording and accounting system. Olomiyete (2014) posited that reforming Nigerian public financial management system from cash basis to accrual accounting system can help in strengthening the quality of government accounting and reporting system. The assertion here is that through IPSAS accrual accounting system, government performance can be better measured and held accountable for, which in turn would improve on understanding corruption perception.

Concept of Capital Expenditure

Capital expenditure on economic servicehad a fair share (43%) of total capital expenditure between1970 to 1979, a development which might not be unconnected with the post-civil war reconstruction efforts embarked upon by the government at federal level. A substantial proportion of total government capital expenditure was equally voted for economic service between 2000 and 2004. Between 1990 and 1999, capital expenditure on transfer payment received an unparalleled attention of the military government which preceeded the dawn of democratic rule in Nigeria. The issue of how government capital spending affect economic growth has been tackled differently by economic scholars. While a good number adopted aggregated approach, a few authors employed a disaggregated analysis with mixed results. Upon this background, this study is set to examine the effects of disaggregated functional government capital expenditure on economic growth in Nigeria. Specifically, studies concentrate on effects of total government expenditure on economic growth, while others focused on the causality between capital expenditure and economic growth. Yet others examined the effect of sectoral capital expenditure on growth. A few studies have considered disaggregated functional capital expenditure without paying attention to the effect each of these components places on economic growth.

Federally Collected Revenue in Nigeria

Revenue generation is one of the greatest significant actions any business can involve in. It is defined as a process by which a business strategies how to market and sell its products or services, in order to generate income. Government revenue is money government received. It is the quantity of cash that an organization really gets during a specific time (Ofurum et al., 2018). The incomes government got are from sources, for example, charges charged on the earnings and flourishing develop of people and organizations and on the properties and offices made, fares and imports, non-assessable sources, for example, government-claimed organizations' benefits, national bank salary and capital receipts as outside credits and obligations from global monetary foundations (Ofurum, et al., 2018). Revenue generation is the processes of raising funds for the government. The chief basis of income generation for any government is via taxation. Samuel &Tyokoso (2014) assert that raising of revenue is traditional function of a tax system is the raising of the revenue necessary to meet government spending. This revenue is necessary to meet the spending which is either the provision of goods and amenities which associates of the community cannot deliver such as defence rule and instruction to the provision of goods and amenities which the central and state governments sense are better offered by itself such as health services and education.

In Nigeria, revenue generated is separated into oil proceeds and non-oil proceeds. While oil proceeds covers all income collected from oil and gas doings in the country, non-oil proceeds stares at any income received from sources other than oil and gas activities. While other states within and outside Africa section their incomes into tax and non-tax income, Nigeria favoured oil and non-oil owing to the fact that oil is the major revenue driver of the economy. Olotu (2012) stated that taxation is now planting seed of transformation in numerous states of the federation of Nigeria. She stated that only previous month, Tell Magazine carried a cover story titled, "*The new cash cow*". In that write up the magazine discloses how "more and more states across the country are now turning to taxation to shore up their revenue to finance serious infrastructural projects". (Tell Magazine, April 30, 2012). Olotu (2012) declared that federations have seen their tax proceeds boosted in recent times and this has allowed the establishment of several life and public transforming ventures and packages leading to progressively more content populace.

Empirical Review

AkujuruandEnyioko (2018) examined the effects of treasury single account policy on corruption in Nigeria: analysis from 2011 to 2017. The study adopted a cross sectional survey design and used questionnaire to generate its data. The population of the study consisted of 6393 staff from the federal ministries, departments and agencies (MDAs) in Rivers State. The sample size of the study was determined at 377 staff through the use of Prof. Taro Yameme sample size method. The data were analyzed through the use of descriptive statistics. The study found that the treasury single account (TSA) policy was introduced to block financial leakages, reduce corruption, promote transparency and prevent mismanagement of government's revenue in public sector organisations. The study revealed that the major challenges hampering the effective and efficient implementation of the treasury single account (TSA) policy include: Inability of federal government to remit appropriately to the various MDAs, uncertainties underlying federal government inactions and actions, bottlenecks/ bureaucracy, internet platform delays, inefficient human capital development and time wasting in the banks and payment points. It is evident from the study that the policy will pave the way for the timely payment and capturing of all revenues going into the government treasury, without the intermediation of multiple banking arrangements. The policy will also enable the government at the centre to know its cash position at any given time without any hindrance.

The study concludes that introduction of treasury single account will block financial leakages, reduce corruption, promote transparency and prevent mismanagement of government's revenue in public sector. The study therefore, recommends that government should secure as soon as possible the appropriate legislative support to facilitate the relevant regulatory environment which will drive the effective implementation of the treasury single account. Oguntodu, Alalade, Adekunle and Adegbie (2016), in their study "Treasury Single Account and Nigeria's Economy Between 1999 and 2015: An Assessment" employed a longitudinal research design to examine the relationship between Treasury Single Account and economic performance in Nigeria. Their study made used of secondary data from CBN statistical bulletin from 1999 to 2015. The study used GDP which represents Nigeria economic performance as the dependent variable while TSA which was represented by Money Supply (MS), Credit with CBN (CR) and Deposit to CBN (DP) as the independent variables. OLS regression technique was employed to show the extent or degree of relationship between the independent and the dependent variables. The result shows that the Treasury Single Account has a positive significant impact on the country's economic growth.The study concludes that if policy on treasury single account can be strictly adhere to it would boost revenue generation in Nigeria. Based on the findings, the study recommend that the federal government of Nigeria should initiate policies and various means to make sure that there are proper accountings of the funds entering into the Treasury Single Account, and that such fund should follows due process. Also, that any subsequent foul play by any agencies, or even the CBN is duly prosecuted and sanctioned.

Ndubuaku, Ohaegbuand Nina (2017) examined how the introduction of Treasury Single Account has affected banks Credit to private sector, Deposit Mobilization, and Loans and advances in their study impact of Treasury Single Account on the Performance of the Banking Sector in Nigeria. The study employed descriptive and ex post facto research design. The population of the study was made up of the 24 commercial banks in Nigeria. The Time Series data used for the study were obtained from Central Bank of Nigeria Statistical Bulletin for the period 2010 – 2015. OLS Regression and correlation analysis were used to analyse the data. The study found out that Treasury Single Account has significantly impact on Credit to private sector, Deposit Mobilization, and Loans and advances.The study concludes that the introduction of Treasury Single Account significantly reduced Credit to private sector, Deposit Mobilization, and Loans and advances. The study recommends that the banks should avoid over-reliance of government funds and source for funds from other sectors of the economy.

Enofe, Afiangbe, and Agha, (2017) examined financial management reforms and corruption in Nigeria public sector. A survey research design was adopted in the study and a sample of ninety (90) respondents which consist of 40 staff from federal MDAs, 30 from Edo state MDAs and 20 from local government MDAs. The study employed ordinary least square (OLS), using SPSS in analysing the bio-data and Eview8 in analysing the research questions as the statistical technique or tool. The study found that Treasury Single Account (TSA); adoption of International Public Sector Accounting Standards (IPSAS); and Government Integrated Financial Management Information System (GIFMIS) all had a positive relationship with Corruption (COR) but at different level of significance while Integrated Payroll and Personnel Information System (IPPIS) had a negative relationship. The study concludes that IPPIS if effectively implemented can reduce payroll fraud which in the long run will also reduce corruption. Other variables such as TSA, IPSAS and GIFMIS result revealed opposite. The study recommends that the government of the day is advised to implement IPPIS to its fullest maximum to maximize its potential of reducing corruption.

Kanu (2016), in his study "impact of Treasure Single Account on the liquidity of the banks" used a selected sample of 10 banks in Nigeria to investigate the effect of Treasury Single Account on banks liquidity. The study employed a cross-sectional research design and utilized a primary data sourced through questionnaire. The work employs both descriptive and inferential statics for data analysis. The results obtained confirmed that the implementation of Treasury Single Account in the public accounting system impacted negatively on the liquidity base and the performance of banking sector in Nigeria.The study recommended that periodic appraisal of each revenue generating sector should be made so that some sectors that are not performing as they ought to will not feel covered by those that are doing better

It should be noted that most of the studies reviewed were on relationship between Treasury Single Account and it effect on banks Credit to private sector, Treasury Single Account and Nigeria economy, Treasury Single Account and corruption in public sector. But this study tends to fill the gaps in literature by investigating the impact of Treasury Single Account (TSA) on the performance of public sector in Nigeria using pre-post research design analysis.

Theoretical Framework

Institutional Theory

Institutional theory was propounded by Meyer and Rowan in the late 1970s. According to Nagalinagm, Mangala &Kumudine (2015) institutional theory looks at the deeper and more resilient aspects of social structure. This theory focuses on the processes by which structures such as cognitive, normative, regulatory, as well as the norms, rules and routines become established as authoritative guidelines for social behaviours and practice. Recent developments in Nigeria's public accounting framework are the new accepted behaviours, rules, norms that need to be adhered to and the question prevalent in this theory and applied here is whether these recent reforms (financial management reforms) are due to normative or regulatory practices? This theory addresses practices which are the subject of the recent happenings in the public sector. Such happenings include the introduction/adoption of IPSAS, TSA, GIFMIS, and IPPIS etc that can enhance the technical efficiency in the organization or institution adopting these practices. It also results in legitimization of the standard practices, and the absence of these leave the organization to be termed irrational, corrupt and negligent. The net effect of these reforms therefore is to increase homogeneity in organizational structure and with regard to Nigeria, the reference will be the MDAs. It can also go as far as to ensure homogeneity across countries globally and this structure has been thought to promote efficiency, effectiveness, transparency, accountability (Meyer & Rowan, 2010).

Stakeholder Theory

This theory is conceptualized on the assumption that the adoption ofTreasury Single Account (TSA) by the FGN was as a result of the pressure mounted on the government by the stakeholder for the eradication of corruption. Stakeholder theory is a theory of organizational management and business ethics proposed by (Freeman, 1984). Freeman (1984) asserts that managers must satisfy a variety of constituents (e.g. investors and shareholders, employees, customers, suppliers, government and local community organizations). Based on this theory, the researcher argued that the emergence of TSA was as a result of government response to the yearnings, demands and aspirations of critical stakeholders by way of developing strategic options towards eliminating corruption. Stakeholder theory is an extension of the agency view, which expects board of directors to take care of the interests of shareholders. However, this narrow focus on shareholders has undergone a change and boards are now expected to take into account the interests of many different stakeholder groups, including interest groups linked to social, environmental and ethical considerations (Freeman, 1984; Donaldson & Preston, 1995; Freeman, Wicks & Parmar 2004). This shift in the role of the boards has led to the development of stakeholder theory. Stakeholder theory views "companies and society as interdependent and therefore the firm serve a broader social purpose than its responsibilities to shareholders" (Kiel & Nicholson, 2003). Likewise, one of the original proponents of stakeholder theory, defines stakeholder as "any group or individual who can affect or is affected by the achievement of the organization's objectives".

There is considerable debate among scholars on whether to take a broad or narrow view of a firm's stakeholder. Freeman's (1984) definition cited above proposes a broad view of stakeholders covering a large number of entities, and includes almost all types of stakeholders. In contrast, Clarkson (1995), offers a narrow view, suggesting "voluntary stakeholders bear some form of risk as a result of having invested some form of capital, financial, or something of value, in a firm. Involuntary stakeholders are placed at risk as a result of a firm's activities. But without the element of risk there is no stake". The use of risk enables stakeholders a legitimate claim on a firm's decision making, regardless of their power to influence the firm. Donaldson and Preston (1995) identify stakeholders as "persons or groups with legitimate interests in procedural and/or substantive aspects of corporate activity." The researchers identified stakeholder as varied as investors, managers, employees, customers, business partners, local communities, civil society, the natural environment, future generations, and non-human species, many of whom are unable to speak for selves. Mitchell, Agle and Wood (1997), argue that stakeholders can be identified by possession of one, two or all three of the attributes of: (1) power to influence the firm, (2) the legitimacy of relationship with the firm, and (3) the urgency of their claim on the firm.

This typology allows managers to pay attention and respond to various stakeholder types. Stakeholder theory recognises that many groups have connections with the firm and are affected by firm's decision making. Freeman, Wrick and parmar (2004), suggest that the idea of value creation and trade is intimately connected to the idea of creating value for shareholders; they observe, "business is about putting together a deal so that suppliers, customers, employees, communities, managers, and shareholders all win continuously over time." Donaldson and Preston (1995), refer to the myriad participants who seek multiple and sometimes diverging goals. Manager's view of the stakeholders' position in the firm influences managerial behaviour.

However, Freeman, Wicks and Parmar (2004), suggest that managers should try to create as much value for stakeholders as possible by resolving existing conflicts among them so that the stakeholders do not exit the deal. Carver and Oliver (2002), examine stakeholder view from non-financial outcomes. For example, while shareholders generally define value in financial terms, other stakeholders may seek benefits "such as the satisfaction of pioneering a particular breakthrough, supporting a particular kind of corporate behaviour, or where the owner is also the operator, working in a particular way". It means stakeholders have 'non-equity stakes' which requires management to develop and maintain all stakeholder relationships, and not of just shareholders. This suggests the need for reassessing performance evaluation based on traditional measures of shareholder wealth and profits by including measures relating to different stakeholder groups who have non-equity stakes.The stakeholder's theory therefore explains the motivating factors that made the government to adopt and implement the TSA. Thus, this study is underpinned based on the stakeholder's theory.

METHODOLOGY

The research design employed in this study was ex-post facto research design. The ex-post facto research design wasemployed because is used to estimate the relationship between the dependent and independent variables.This method is used in obtaining numerical estimates of the coefficients of the model due to the linear nature of the economic relationship. The variables investigated were Federally Collected Revenue (FCR) and Federal Government Capital Expenditure (FGCE). The data were collected from Central Bank of Nigeria (CBN) on yearly basis from 2012to 2019 resulting into a total of 8 observations. The data were divided into two periods: a. Period before the implementation of TSA (2012 to 2015) b. Period after the implementation of TSA (2016 to 2019). The table 4.1 below shows the data collected for the purpose of this work. A pre-post analysis (difference in means test) was carried out using E-view statistical package version 10. To examine the effect of the independent variables on performance, the model adopted by Ofurum, Oyibo &Ahuche were adopted and modified as follows:

FGCE = f (FCR)…………………………………………………............… (i)

The transformation of the above model into a regression function is given below:

$FGCE = \beta_0 + \beta_1 FCR + \mu t$……………………………………………….. (ii)

Where FGCE =Federal Government Capital Expenditure

FCR = Federally CollectedRevenue;

β_0 = the intercept term which gives the average value of FGCE when Federally Collected Revenue are set equal to zero;
β_1 = the coefficient of capital expenditure which measures the mean change in FGCE per naira change in Federally Collected Revenue;
μt = the disturbance term which captures the effect of other variables not included in the model on performance.
"Pre-Post" Decision Rule: If the Prob. Value is greater than 0.05, the null hypothesis of no significant effect will be accepted; if otherwise, reject the null and accept alternative

RESULTAND DISCUSSION

Table 1: Data Presentation

Period	FCR (₦B)	FGCE (₦B)
Observations before the implementation of TSA		
2012	10,654.75	874.83
2013	9,759.79	1,108.39
2014	10,068.85	783.12
2015	6,912.50	818.37
Observations after the implementation of TSA		
2016	5,616.40	653.61
2017	7,445.00	1,242.30
2018	9,551,80	1,682.10
2019	4,689.29	1,956.20

Source: CBN Statistical Bulletin, 2019

Paired Sample Statistics

Table 2: Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	FCR_a	1519.703750	4	266.8118589	94.33
	FCR_b	2313.7425	4	456.86206	161.52
Pair 2	$FGCE_a$	25677.810475	4	2400.5761268	980.031
	$FGCE_b$	22315.747060	4	1565.4462376	639.09

Source: E-view 10

From the table above, Federally Collected Revenue after the implementation of TSA has a mean value of N1519.7 billion with a Standard Deviation of N266.82 billion while Federally Collected Revenue before the implementation of TSA has a mean value of N2313.74 billion with a Standard Deviation of N456.86 billion. Statistics also revealed that Federal Government Capital Expenditure before the implementation of TSA was N22315.75 billion with a Standard Deviation of N1565.47 billion while its value after the implementation of TSA was N25677.81 billion with a Standard Deviation of N1565.47 billion.

Test of Difference of Means

Table 3: Paired Samples Test

		Paired Differences			T	df	Sig.
		Mean	Standard Deviation	Std. Error Mean			
Pair 1	FCR_a - FCR_b	-794.04	491.142	173.64	-4.573	3	003
Pair 2	$FGCE_aFGCE_b$	3362.06	2995.84	1223.04	2.749	3	.040

Source: E-view 10

Result on Paired Sample Test shows that Federally Collected has a mean difference of (N794.04) billion. From the result, one can conclude that the implementation of Treasury Single Account has a Negative and significant impact on Federally Collected Revenue *t(7) = -4.57 (SD=491.14), p=.003.* On the impact of TSA on Federal Government Capital Expenditure, Federal Government Capital Expenditure of N3362.06 billion, analysis shows that the implementation of TSA has a positive and significant impact on the country's performance t*(5)=2.75 (SD=29995.84), p=.04.*

Discussion of Findings

From the table above, Federally Collected Revenue after the implementation of TSA has a mean value of N1519.7 billion with a Standard Deviation of N266.82 billion while Federally Collected Revenue before the implementation of TSA has a mean value of N2313.74 billion with a Standard Deviation of N456.86 billion. Statistics also revealed that Federal Government Capital Expenditure before the implementation of TSA was N22315.75 billion with a Standard Deviation of N1565.47 billion while its value after the implementation of TSA was N25677.81 billion with a Standard Deviation of N1565.47 billion. Result on Paired Sample Test shows that Federally Collected has a mean difference of (N794.04) billion. From the result, one can conclude that the implementation of Treasury Single Account has a Negative and significant impact on Federally Collected Revenue *$t(7) = -4.57$ (SD=491.14), $p=.003$.* On the impact of TSA on Federal Government Capital Expenditure, Federal Government Capital Expenditure of N3362.06 billion, analysis shows that the implementation of TSA has a positive and significant impact on the country's performance *$t(5)=2.75$ (SD=29995.84), $p=.04$.*

From the result above, it can be seen that the implementation of Treasury Single Account has not improved revenue generation in Nigeria. Instead, the analysis disclosed that Federally Collected Revenue significantly decreased during the period of its implementation. While the mean value of FCR before TSA's implementation was N2313.74 billion, FCR after TSA's implementation has a mean value of N1519.7 billion resulting into a decrease of N794.04 billion (see Table 3). This result is contrary to the expectation of the Federal government towards TSA's implementation. In respect to the impact of TSA on economic growth, it could be seen from the result that Federal Government Capital Expenditure improved after the implementation of TSA from yearly average of N22315.75 billion to N25677.81 billion. Further findings revealed that this improvement was statistically significant. This result is in tandem with the findings of Oguntodu, Alalade, Adekunle, &Adegbie (2016), who confirmed that Treasury Single Account has a positive and significant impact on the country's economic growth.

CONCLUSION AND RECOMMENDATIONS

Based on the result of the result of the pre-post analysis carried out, on the impact of TSA on the performance of public sector; the study concludes that the implementation of Treasury Single Account has not improved revenue generation in Nigeria, however the performance measured using Federal Government Capital Expenditure was positively and significantly affected by the new accounting system. Given the foregoing, the following recommendations are being put forward;

i. Appraisal of each revenue generating sector should be made periodically so that some sectors that are not performing as they ought to will not feel covered by those that are doing better.
ii. The federal government should initiate policies and various means to make sure that proper accounting of the funds into the Treasury Single Account follows due process and any subsequent foul play by any agencies, or even the CBN is duly prosecuted.

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