An Empirical Investigation of External Control Institutions on Accounting and Finance: Evidence from Nigeria

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ABSTRACT--- This study examined the effects of external control institutions on Government Accounting finance in some selected local government in Ondo state Nigeria. The researcher investigated four specific objectives; the evaluation of the contribution of external control institutions towards the operation of legislation and regulatory frameworks relating to accountability; the researcher also focused on the effect of external control towards enhancing of financial activities in the selected Local Government Areas. Thirdly, emphasis was on the promotion of accountability. Lastly, the mechanism to strengthen other agencies in fostering accountability in selected Local Government Area was investigated. Data relating to the specific objective of the study were analyzed using Analysis of Variance (ANOVA). Data was run through the use of statistical package for social science (SPSS) WINDOW 16.0. It was discovered that the null hypothesis one and two were rejected in all the selected Local Government Areas of Ondo state while null hypothesis three was accepted to show that there is no significant differences between the external control institutions in effectively eliminating frauds and forgeries. In conclusion, the null hypothesis four shows no significant difference between external controls institutions in providing mechanism to strengthen other agencies in fostering accountability in the selected Local Government Area of Ondo state. It is therefore recommends that government should put in place various mechanisms that would strengthen other agencies in fostering accountability and would also give room for an effective external control institution in Ondo state.

Key words: Accountability, External Control, Institution, Legislation and Regulatory Framework

1. INTRODUCTION

In decentralizing spending, central Governments face a host of accountability and control issues over the use of funds. There is the need to institute financial discipline over both central and local government budgets. Furthermore, there is the need to ensure that funds are spent in accordance with the programme design and intent. As the control incorporate performance and the management techniques into the budget and accountability process, there is need to ensure that the guaranteed autonomy flexibility in exchange for performance agreements would permit fiscal and managerial accountability. This is practicable in an environment where local governments are sovereign and have their own constituencies to deal with, where private sectors entities are negotiating contracts, where agencies are outside the ministerial control and / or ministerial responsibility.

Central Government has created public law agencies that are under contract with central government ministries under purchaser-provider arrangements. Ministries have partnered with private sector entities to deliver public goods. These developments designed to make spending more efficient and more responsive to citizen needs. Spending and service delivery are delegated to institution outside their direct control.

The broader rational for control mechanism in Government is to ensure accountability to the public, therefore, the cardinal purpose of administration is to achieve the objectives of the state whose aim is to maintain peace and order to achieve justice, promotion of social and economic development and generally good life to its citizenry. Hanekom and
Thornhill (1986) noted that the complexities of the contemporary public sector demand that importance of control measure be periodically assessed so as to establish whether public activities are carried out efficiently and effectively and whether the required results are achieved.

2. STATEMENT OF RESEARCH PROBLEM

One of the reasons often advanced for the collapse of financial control in Nigeria is the multiplicity of controlled (internal and external) which put pressure on management thereby making it ineffective. Varying degrees of discordant voices and directives emanate from legislative assemblies, Auditor General of the federation as well as external auditors to recommend the best practices toward effective financial management in Nigeria. These discordant voices and directives often confused the management of Institution on how best to effectively manage the resources of the establishment. Therefore, there is need to study the influence of these external control institutions on the effectiveness of financial control in establishments or organisation.

The problem is that despite the establishment of external control to generally ensure proper accountability of resources at the disposal of management, there is public outcry that they have failed to achieve the objectives which they were meant to achieve.

3. RESEARCH OBJECTIVES

This study would evaluate the impact of external control institutions on the effectiveness of financial activities in selected local government areas of Ondo State. The following are the specific objectives:

- To assess the contribution of external control towards the operationalisation of laws and regulatory framework relating to accountability in selected local Governments in Ondo State.
- To investigate how external controls Institutions have improved financial control in selected Local Governments.
- To analyse the extent to which external control institutions have provided mechanism to strengthen other agencies in fostering accountability in some selected Local Governments in Ondo State.

4. RESEARCH HYPOTHESIS

The following hypotheses will be tested in order to provide answer to the research questions.

Hypothesis One:
$H_0$: There is no significant difference in external control institutions in contributing to the operationalisation of major law and regulatory framework relative to accountability in the selected Local Government of Ondo State.

Hypothesis Two
$H_0$: There is no significant difference in how external control institution has improved financial control in selected local governments in Ondo State.

Hypothesis Three
$H_0$: There is no significant difference in how external control institutions have combat effectively in eliminating frauds and forgeries in selected local governments in Ondo State.

Hypothesis Four:
$H_0$: There is no significant difference between external control institutions in providing mechanisms to strengthen other agencies in fostering accountability in the selected LGAs of Ondo State

5. REVIEW OF RELATED LITERATURE

Definition of Audit

Elumilade (2010) defines Auditing as the independent examination and investigation of the evidence from which a financial statement has been prepared with a view to enable the independent auditor to report whether in his own opinion and according to the information and explanation obtained by the Auditor through audit procedures the report whether the statement shows a true and fair view of the reporting entity. In a circumstance where auditor is engaged to audit a company formed under compait Act, such auditor is to report to the shareholders of the company. An Auditor may be appointed by the examination of a particular unit of the company, in such circumstance, the Managing Director, chief executive therefore, he /she is called international auditor. Auditor obtained audit evidence from books, account, vouchers of the organization audited. Auditor also verifies physical existences of the assets held and examine the evidence from external source. Written representation should be received from reliable officials of the organization. Financial statement needs to verified by appointed auditor include profit and loss account, balance sheet notes to the account sources and applications of Fund statement. A financial statement is a summary of entity financial transaction for the period which gives true and fair profit or loss for the financial period which it relatives while balance sheet is the statement of Assets and liabilities for a given period. If auditor is dissatisfied with financial report he therefore, qualify the report otherwise issue unqualified report. External Auditors are appointed by the shareholder (owners) of an organization to audit their company to audit and report to shareholders internal auditors internal Auditors are appointed by the management of an organization to carryout constant reviews, examination and investigation into different aspects and departments of the organization and report back to the highest executive within the organization to be taken.
6. THE CONCEPT OF ACCOUNTABILITY

The word “Accountability” is a generally accepted standard for public Administration in the theory and practice, although its specific meaning and institutional application vary from one place to another or one institution to another (Aluko, 2001). Historically the meaning of accountability was individual responsibility for performance of assigned functions and application of top down control within an official hierarchy.

Chairman’s committee (2001) viewed accountability as the need to provide explanations about the stewardship of public money and how this money has been used. Accounting to the committee in great Britain, the control government accountability is through ministerial accountability to parliament through statements, debates and provide consumers to oral questions on the floor of parliament, appearance before committee and provide answers to written questions. A major part of accountability is external audit which is the process by which the adequacy of the explanations given in the financial statements is assessed and reported upon by an independence party. Accountability is comprises two distinct components; rendering of accounts and hidden of accounts. Rendering of accounts involve obtaining information about of the behavior of a public organization while the the holding to account of public officials involves the exercise of the judgment and power over them. Public accountability can be achieved if only those whose who receive accounts possess the authority and ability to take action on the basis of those accounts some of the under listed institutions are responsible for promotion of transparent accountability within the public sector in Nigeria:

- Independent corrupt practice commission (ICPC)
- Economic and Financial Crime Commission (EFCC)
- Public Complaint Commission
- Due Process
- Human Rights Commission
- Code of Conduct Bureau
- Audit Unit (Internal and External)
- Public account Committee of Federal or State Legislative Body
- Socio Clubs
- Religious Bodies
- Professional Bodies
- Civil Society Organization

These bodies where established by the executives, legislatives and judiciary through the promulgation and publication of acts decree formulas and aims of government to promote accountability and judgment within the public sectors of the economy. The social club and religious bodies are to act as a moral suasion to their members while the professional organizations publish and ensure compliance within the professional rules and regulations. Accountability is an ethical virtue since ethics deals with principle and rules that govern the moral values of the people’s behavior. Ethical values such as integrity, probity, impartiality and frugality form part of the common values that guide public sector action and performance. Unethical practices constitutes a great deal of behavioural altitude and actions which include dishonesty, laziness, negligence, inefficiency or complacency on the part of public officials as well as fraud and corruption. Nevertheless, accounting auditing, reporting and inspection constitute control measures to enhance accountability in the public sector realm.

7. REGULATORY IMPERATIVE TO ACCOUNTABILITY AND GOOD GOVERNANCE

Governments have the obligation to provide social services to her citizens. In addition government strives to achieve economic, social political objectives as well as to maintain of peace, law and order to its entire masses. However, these are embedded in public policy frameworks. Thus effective budget determination, policy and programme implementation as well as responsiveness and service provisions are determined by the institution or agencies that play a regulatory role. The regulatory frameworks legislative controls of a state are critical foundations of accountability and good governance.

The regulatory consist of setting the rules, monitoring for compliance and enforcement (Inoisiliki, 1989). The power of a state establish and enforce rules and regulations fairly and appropriately relates to political governance which provides a framework within which the socio-economic behavior of the agents and agencies of the state operate regulations are vital to harmonize relations and streamlines activities both in public and private sector spheres in under to promote institutional stability, cohesiveness and progress (Johnson, 1992). Corporate accountability emphasizes that business entities and corporations should be accountable to the public, under principle of corporate social responsibility, given that the major clientele and that its well being in terms of incomes and good health is important for the existence of corporations (Uzouegbaunau, 2004). The important principle here is that since cooperation’s are considered legal persons and therefore entities have rights of corporate litigation, they should be given by standards that promote other people’s welfare and the public interest. The concern has been that corporations are
widely perceived as capable of evading public control and getting away with behavior that harms employees, consumers, vulnerable communities or environment.

Unsuccessful policy and regulatory implementation is commonly due to the institutional capacity deficits faced by implementation agencies. These range from absence of skilled human resources facilitation to lack of support from various stakeholders. But perhaps the most significant antithesis to successful policy and regulatory implementation is the quandary of corruption as shown in figure 1 below:

Figure 1: Multi–pronged Strategies for Combating Corruption.
8. REVIEW OF RELATED EMPIRICAL STUDIES

Accountability has attracted series of debates as essential ingredient for improving public sector management and good cooperate governance in Nigeria.

External control instructions are extensive in developing countries. These studies (Rukhman, 2006; Arowolayin, 2004; Okunrinmi 2006) concluded that government use both legal and illegal restrictions to control civil society organisation and other interest groups.

Arowolo (2007) analyzed the structural and systematic weakness of centralized local government administration of developing countries and revealed the input on accountability on social and economic consequence. Muthien (2000) used statistical sampling technique to conduct test on external audit work while Peters (1995) favored the use of another set of controls to control the Controllers.

He added that the feeble nature and structure of CSOS in developing countries militate against their effective participation. Kakumba(2008) used quantitative technique to examine two cardinal external control agencies that enhanced the accountability of the third tixr of Government in Uganda. He concluded that local governments accountability failures were blame on the weakness of internal control systems, Okunrinmi(2006) concluded that external audit, failure was due to the fear of hired assassin. He also used qualitative technique to conduct the investigation. Also documentary evidences were also employed for the study.

An empirical study on the external control Institutions in developing country like Nigeria is a step in right direction since most of the right direction since most of the studies evaluated on this issue are from the developed economics.

In a more recent study Ojuolape (2012) used survey research design to investigate the effects of external control institutions on Government accounting and finance using sample of Two hundred and thirty four respondents across twelve local government areas. The respondents include principal and management staff of the local government areas to elicit information for the study. Ojuolape employed analysis of Variance (ANOVA) to test the four hypotheses formulated for the study. Data collected were calculated through the use of statistical package for social science SPSSWINDOW16.0 and the author revealed that there was no significant differences between the external control institutions in eliminate frauds and forgeries. In addition, the study showed no significant difference between external controls institutions in providing mechanism to strength other agencies in promoting accountability. He recommended the need to establish good mechanism to strength other agencies in promoting accountability and finance operations. Furthermore, he suggested the effective use of existing legislative and regulatory frameworks.

Richard (2011) examined the importance of financial transparency and accountability in Nigeria’s restoration and found that the country has not succeeded in institutionalizing a strong anti-corruption laws. He recommended that credible reforms targeted at improving the economic and social conditions of majority underprivileged Nigerians should be put in place

Adefila and Adeoti (2011) investigated the essence of accountability in fraud and prevention and control in Borno ministry in finance. The three major components of accountability that include responsibility, responsiveness and transparency was examined with the use of standard deviation frequency distribution and analysis of Variance (ANOVA) to test the advanced hypothesis. IT was found that transparency was the most effective antidote of fraudulent practices and openness prevent fraud. Adefila and Adeoti recommended that public servants should be cultured to imbibe the spirit of openness to public scrutiny, timely release of reliable into Imination and prudent management of resources

Mustafa and Serdar (2006) examined internal controls and audit practices as local levels. It was found that internal control and audit were required for increasing efficiency and effectiveness transparency, accountability in the use of public resources ensuring allocation of public resources in accordance with citizens priorities and supporting aggregate fiscal discipline in local governments

Okpala (2012) used person moment correlation to investigate accountability in Nigerian public sector. The results showed that there is weak accountability in Nigeria due to weak accounting infrastructure, poor regulatory framework and attitude of government officials. Okpala recommended that government professional accounting bodies and citizens should work together.

Peter and Jerry (2012), employed Analysis of Variance (ANOVA) to test the research and found that the external audit is not adequate in revealing fraud. The study concluded that an interim audit should be made mandatory in the commercial banks by the regulatory authority.

9. THEORETICAL FRAMEWORK

Peters (1995) postulates that there have been two traditional schools of thought regarding accountability. The first school of thought assumes that accountability is an inward sense of person’s inward obligation. This suggests that civil servants have ethical values and professional standards that guide them in the performance of their tasks. This was championed by Carl Fredrick in 12940. Herbert Finer (1914) viewed that personal obligation is not enough and some external forces have to be employed in order to enforce responsible behavior. This believes that ethical values alone are not adequate, hence pushing behavior would be necessary, also, there is need to recognize the need to reward outstanding performance by civil servants. Finer calls for internal and external controls to enhance accountability. Laver (1999) viewed that the
The history of centralized state institutions demonstrates that excessive control of local government and other public institutions do not guarantee increased effectiveness but instead constrain efficiency. Olowu (2003) postulate that internal administrative control play a vital role; they may be abused and that may not achieve good governance, unless they are subjected to appropriate central accountability mechanisms (external control). This orientation enriches the view that external control system is critical to public sector accountability.

10. METHODOLOGY

Population of the Study

The population for the study comprise all the principal and management staff of the eighteen (18) local governments available in Ondo State that have the full knowledge of the topic being investigated. These are the people who deal with policy implementation issues on daily basis.

Sample Size

The respondents were selected through stratified random sampling technique. Ondo State has three senatorial districts with each district having six (6) local governments each the name of each of the government in each district was written on the piece of paper squeezed and form which four local Government areas each were picked with the uses of a ballot system. Altogether, the total local government areas selected through this process was twelve (12) which form the frame from which the sample size for this study was determined. In total, two hundred and thirty four (234) respondents were considered with twenty three (23) questionnaires were administered, thus, twelve local government areas were sampled using a stratified random techniques.

Data Analysis and Discussion of Results

Data collected were analyzed using both descriptive and influential method of data analysis statistics. Anova techniques were employed to test the hypotheses formulated. Analysis were carried with aid of statistical package for social sciences, SPSS WINDOW16.0 Four Null hypotheses were tested using f-test statistics the soft ware generates f significance or non significance at a corresponding p value of p< 0.5 or p > 0.5. The analytical technique used is Anova with the formula:

\[ F = \frac{V_b - Between \ group \ Variance}{V_w - Within \ group \ Variance} = \frac{S^2_B}{S^2_w} \]

Where,

\[ V_b = Between \ group \ Variance \]
\[ V_w = Within \ group \ Variance \]
\[ F = Frequency \]
\[ S^2_B = Significance \]
\[ S^2_w = Significant \ within \ group \ Variance \]

Table 1: Hypothesis one testing for ANOVA and Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Between Groups</strong></td>
<td>34330.000</td>
<td>5</td>
<td>8582.500</td>
<td>2.693</td>
<td>.054</td>
</tr>
<tr>
<td><strong>Within Groups</strong></td>
<td>79674.000</td>
<td>26</td>
<td>3186.960</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>114004.000</td>
<td>31</td>
<td>45.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Descriptive</th>
<th>Mean Deviation</th>
<th>Std</th>
<th>Error</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>S. Disagree</td>
<td>62.17</td>
<td>91.298</td>
<td>37.272</td>
<td>-33.664</td>
<td>7.98</td>
</tr>
<tr>
<td>Disagree</td>
<td>13.17</td>
<td>8.819</td>
<td>3.600</td>
<td>3.91</td>
<td>22.42</td>
</tr>
<tr>
<td>Agree</td>
<td>27.00</td>
<td>22.987</td>
<td>9.384</td>
<td>2.88</td>
<td>51.12</td>
</tr>
<tr>
<td>S. Agree</td>
<td>103.50</td>
<td>81.882</td>
<td>33.428</td>
<td>17.57</td>
<td>189.43</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>45.00</td>
<td>62.699</td>
<td>11.447</td>
<td>21.59</td>
<td>69.41</td>
</tr>
</tbody>
</table>

Sources: Computed from Researchers Raw Data, (2013)

In the descriptive table 1 above, it was discovered that six (6) questions were inputed in Part A of the questionnaire. It was observed that 126.00 was the highest mean value on the descriptive table, but the least standard deviation was 10.596, this shows, that respondents response to the questions proved to be indifference Table 1 shows the
F – distribution table resulted to 2.76 at degree of freedom of 4 and 25 with 95% confidence / significance level (0.05 alpha level) while, the F – calculated from ANOVA table above shows 7.854 value.

**Decision:**
Since the F – calculated value (7.854), at degree of freedom 4 between the groups and 25 within the groups, with the significant level of 5%, therefore, we rejected the null hypothesis at this level because F – calculated table (7.854) is greater than F – distribution value of (2.76).

Therefore, there is no significant relationship between the external control institutions is contributing to the legislation and regulatory frame works relating to accountability in the selected LGAs of Ondo State.

**Hypothesis Two Testing for ANOVA and Descriptive Statistics**
There is no significant difference between external control institutions in contributing to the enforcement of financial control in the selected LGAs of Ondo State.

Table 2: Hypothesis Two Testing for ANOVA and Descriptive Statistics in the selected Local Government Area (ANOVA)

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>31397.500</td>
<td>5</td>
<td>7849.375</td>
<td>10.858</td>
<td>.000</td>
</tr>
<tr>
<td>Within Groups</td>
<td>25302.500</td>
<td>36</td>
<td>722.929</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>56700.000</td>
<td>41</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Descriptive Statistics**

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std Deviation</th>
<th>Std Error</th>
<th>95% Confidence Interval for Mean</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>S. Disagree</td>
<td>7</td>
<td>38.38</td>
<td>40.078</td>
<td>14.170</td>
<td>4.87</td>
<td>6.029</td>
<td>3</td>
<td>109</td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>7</td>
<td>27.50</td>
<td>16.844</td>
<td>5.955</td>
<td>13.42</td>
<td>41.58</td>
<td>9</td>
<td></td>
<td>57</td>
</tr>
<tr>
<td>Not sure</td>
<td>7</td>
<td>16.62</td>
<td>11.759</td>
<td>4.157</td>
<td>6.79</td>
<td>26.46</td>
<td>74</td>
<td></td>
<td>41</td>
</tr>
<tr>
<td>Agree</td>
<td>7</td>
<td>44.88</td>
<td>12.955</td>
<td>4.580</td>
<td>34.04</td>
<td>55.71</td>
<td>17</td>
<td></td>
<td>58</td>
</tr>
<tr>
<td>S. Agree</td>
<td>7</td>
<td>97.62</td>
<td>37.664</td>
<td>13.316</td>
<td>66.14</td>
<td>129.11</td>
<td>35</td>
<td></td>
<td>148</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>45.00</td>
<td>38.129</td>
<td>6.029</td>
<td>32.81</td>
<td>57.19</td>
<td>3</td>
<td></td>
<td>148</td>
</tr>
</tbody>
</table>

**Sources: Computed from Researchers Raw Data, (2013)**

In the descriptive table 2 above, it was discovered that eight (8) questions were inputted in part B of the questionnaire. It was observed that 97.62 being the highest mean value on the descriptive table, but the least standard deviation was 11.759, thus, shows that the respondents response to the questions posted to the indifference. The F-distribution table resulted to 2.61 at degree of freedom of 4 and 34 with 95% confidence/significance level (0.05 alpha level) while, the F-calculated from ANOVA table above shows (10.858) values.

Since the calculated value (10.858), at degree of freedom 4 between the groups and (25) within the groups, with the significant level of 5%, therefore, we rejected the null hypothesis of this level, because, F – calculated table (10.858) was greater than F-distribution value of (2.61).

Therefore, there is significant difference between the external control institutions in contributing to the enhancement of financial activities in the selection LGAs of Ondo State.

**Hypothesis three Testing for ANOVA and Descriptive Statistics**
There is no significant difference between external control institutions in Minimizing frauds and forgeries in the selected LGAs of Ondo State.
Table 3: Hypothesis Three Testing for ANOVA and Descriptive Statistics in the selected Local Government Area (ANOVA)

<table>
<thead>
<tr>
<th></th>
<th>Sum of Df Squares</th>
<th>Mean Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>34330.500</td>
<td>5</td>
<td>8582.500</td>
<td>2.693</td>
<td>.054</td>
</tr>
<tr>
<td>Within Groups</td>
<td>79674.000</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>114004.000</td>
<td>31</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>95% Confidence Interval for Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Std Deviation</td>
</tr>
<tr>
<td>S. Disagree</td>
<td>7</td>
</tr>
<tr>
<td>Disagree</td>
<td>7</td>
</tr>
<tr>
<td>Not sure</td>
<td>7</td>
</tr>
<tr>
<td>Agree</td>
<td>7</td>
</tr>
<tr>
<td>S. Agree</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
</tr>
</tbody>
</table>

Sources: Computed from Researchers Raw Data, (2013)

In the descriptive table 3 above, it was discovered that six (6) questions were used in Part C of questionnaire. It was observed that 103.50 using the highest mean value on the descriptive table, but the least standard deviation was 8.819 this shows, that the respondents disagree with the questions. Table 3 shows the F-distribution table resulted to 2.76 at degree of freedom of 4 and 25 with 95% confidence / significance level (0.05 alpha levels) while, the F-calculated from ANOVA table shows 2.693 value.

Since the F-calculated value (2.693) at degree of freedom 4 between the groups and 25 within the groups, with the significant level of 5%, therefore, we accepted the null hypothesis of this level, because F-calculated from ANOVA Table 3 is less than the F-distribution (2.76).

Therefore, there is no significant difference between the external control institutions in minimizing eliminating frauds and forgeries in the selected LGAs of Ondo State.

Hypothesis Four Testing for ANOVA and Descriptive Statistics

There is no significant difference between external control institutions in providing mechanisms to strength other agencies in fostering accountability in the selected LGAs of Ondo State.

Table 4: Hypothesis Four Testing for ANOVA and Descriptive Statistics in the selected Local Government Area (ANOVA)

<table>
<thead>
<tr>
<th></th>
<th>Sum of Df Squares</th>
<th>Mean Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig</th>
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</thead>
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<tr>
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<td>2493.167</td>
<td>1.040</td>
<td>.434</td>
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<tr>
<td>Within Groups</td>
<td>23973.333</td>
<td>12</td>
<td>2397.333</td>
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<tr>
<td>Total</td>
<td>33946.000</td>
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<table>
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<tr>
<th></th>
<th>95% Confidence Interval for Mean</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Std Deviation</td>
</tr>
<tr>
<td>S. Disagree</td>
<td>4</td>
</tr>
<tr>
<td>Disagree</td>
<td>4</td>
</tr>
<tr>
<td>Not sure</td>
<td>4</td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
</tr>
<tr>
<td>S. Agree</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
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</tr>
</tbody>
</table>

Sources: Computed from Researchers Raw Data, (2013)

In the descriptive table 4 above, it was discovered that six (3) questions were used in Part D of questionnaire. It was observed that 93.67 being the highest mean value on the descriptive table, but the least standard deviation was 16.823 this showed, that the respondents reaction to this questions was indifference (not sure). Table 4 shows the F-distribution value (3.48) at degree of freedom of 4 and 25 with 95% confidence / significance level (0.05 alpha levels), the F-calculated from ANOVA table shows 1.040 value.
Since the F- calculated value (1.040) at degree of freedom 4 between the groups and 10 within the groups, with the significant level of 5%, therefore, we accepted the null hypothesis at this level, because F-calculated from ANOVA Table is less than the F-distribution (3.48).

Therefore, there is no significant difference between the external control institutions in providing mechanisms to strengthen other agencies in fostering accountability in the selected area.

11. CONCLUSION

The basic step for economic development is financial disciplines and elimination of wastages of scarce resources in the public sector is the result of public accountability. It is rather unfortunate that the level of accountability experienced in the country is unacceptable due to weak accounting system, ineffective external control and the cogs in the wheel of legal framework. The result from the research work revealed that external control institutions failed to promote accountability and eliminate frauds and forgeries.

12. RECOMMENDATIONS

Considering the results of the study the following suggestions are presented:

- Government should put in place various mechanisms that would strengthen other agencies in fostering accountability and would also give room for effective external control institutions in Ondo State.
- There should be regular review of operationalisation of major laws and regulatory framework in the selected Local Governments in Ondo State.
- Every Local Government should organize regular seminars for their staff(s) on accountability and control in other to ensure effective accountability, transparency and probity.
- Fraud and forgeries should be discouraged in the Local Government Systems in the selected Local Government of Ondo State.
- Public Accounts Committee Should ensure that oversight functions are been adequately look into as at when due.

13. REFERENCES

