Evaluating the Effectiveness of IPSAS 23 Regulations on the Redemption of Tax Revenues by the Ekiti State Government

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Abstract: The study intends to shed light on how adherence to international public sector accounting standards (IPSAS) 23 can enhance the efficient utilization of tax revenues in Ekiti State. In this study, a survey design was employed. Questionnaires were distributed directly to the specified participants, who were the Revenue Officers of Ekiti State Internal Revenue Service (EKSIRS). The entire population comprised 428 revenue officers, and we chose to use a census sampling method, which encompasses the entire population at 100%. Out of all the questionnaires distributed, 311 were returned with completed responses. The collected data was subsequently analyzed using both descriptive and inferential statistical techniques. The results analysis found that the collective impact of IPSAS 23 regulations, including revenue recognition, revenue presentation and disclosure, and revenue measurement, is a reliable predictor of tax revenue redemption by the Ekiti State Government. In essence, the implementation of these IPSAS 23 regulations significantly contributes to the redemption of tax revenues, signifying their importance in enhancing financial transparency and efficiency within the government's fiscal operations. It was concluded that revenue recognition emerges as a prominent contributor to tax revenue redemption, emphasizing the importance of accurate revenue recognition. This study then recommends that the Ekiti State Government should prioritize enhancing revenue recognition practices. This can be achieved through training and capacity-building for relevant staff to ensure accurate and timely recognition of revenue.

Keywords: IPSAS 23 regulations, Revenue Recognition, Revenue Presentation and Disclosure, Revenue Measurement, and Redemption of Tax Revenues.

INTRODUCTION

In the ever-evolving landscape of public finance and governance, the efficient management of tax revenues stands as a cornerstone of economic development and fiscal responsibility for governments worldwide (Olatunji & Dominic, 2019). The prudent utilization of tax revenues is not only essential for meeting the financial needs of the state but also for ensuring the well-being and progress of its citizens. It is within this context that the International Public Sector Accounting Standards (IPSAS) have emerged as a critical framework, guiding governments in their quest for transparent and accountable financial practices (Wang & Miraj, 2018).

Our present study embarks on a journey through the intricate tapestry of public financial management, with a specific focus on the state of Ekiti in Nigeria. Ekiti State, like many other regions, grapples with unique economic, social, and political challenges. The effectiveness of its taxation policies and the proper redemption of tax revenues play a pivotal role in fostering development initiatives, supporting infrastructure projects, and delivering essential public services. In this regard, the International Public Sector Accounting Standard (IPSAS 23) on Revenue from Non-Exchange Transactions (Taxes and Transfers) assumes paramount significance (IPSAB, 2021).

IPSAS 23 is a framework that offers guidelines for the recognition and measurement of revenue from taxes. It provides a structured approach for governments to assess the effectiveness of their taxation systems, ensuring that tax revenues are appropriately recognized and utilized to benefit the public (Jensen, 2016). With a focus on Ekiti State, Nigeria, our research aims to comprehensively evaluate the impact of IPSAS 23 regulations on the redemption of tax revenues by the government. By assessing the practical application of these standards in Ekiti State, we seek to uncover the broader dynamics of government financial management and its consequences on fiscal sustainability (Alkhabbaz & Suresh, 2023).

The study intends to shed light on the intersection of financial regulations and government operations, offering a deeper understanding of how adherence to IPSAS 23 can enhance the efficient utilization of tax revenues and support the state's development agenda. Ekiti State provides a compelling case study, reflecting the realities of many states and regions globally as they navigate the complex terrain of public finance.

Through an in-depth examination of practices, challenges, and successes within Ekiti State's financial management framework, our research endeavors to provide invaluable insights that extend beyond the boundaries of the state. In an era where government accountability, transparency, and sustainable development are universal imperatives, this study is poised to offer essential contributions to the growing body of knowledge on the implementation of IPSAS 23 standards and their profound implications for the redemption of tax revenues. The subsequent sections of this article will delve into the existing body of knowledge, review pertinent literature, articulate the research objectives and methodology, and present an analysis of the findings. Through this exploration, we aspire to provide a holistic understanding of the effectiveness of IPSAS 23 regulations in Ekiti State, shedding light on how they influence the redemption of tax revenues and culminating in valuable recommendations for both the public sector and scholars committed to fiscal responsibility and transparency. We aim to further the discourse on sound financial management in the public sector and to contribute to the global pursuit of sustainable and accountable governance.

LITERATURE REVIEW
International Public Sector Accounting Standard (IPSAS) 23 Regulations

IPSAS 23, which stands for International Public Sector Accounting Standard 23, is a regulation or standard issued by the International Public Sector Accounting Standards Board (IPSASB). IPSASB is an independent standard-setting body that develops accounting standards for governments and other public sector entities (Zhuquan & Javed, 2018). IPSAS 23 specifically addresses the accounting treatment of tax revenue in the public sector. International Public Sector Accounting Standard 23 - Revenue from Non-Exchange Transactions (Taxes and Transfers). IPSAS 23 provides guidelines for the recognition and measurement of revenue resulting from non-exchange transactions, particularly taxes, and transfers. It outlines the criteria for recognizing tax revenue, including the conditions that must be met for revenue to be recognized in the financial statements. The standard specifies how to measure the tax revenue recognized. It emphasizes that tax revenue should be measured at the fair value of the consideration received or receivable (Tanjeh, 2016).

IPSAS 23 includes requirements for how tax revenue should be presented in financial statements and what information related to taxes should be disclosed. The standard indicates when it becomes effective, meaning when it should be applied in financial reporting. IPSAS 23 may include consequential amendments to other IPSAS standards to ensure consistency across the framework. IPSAS 23 Regulations are designed to improve transparency and consistency in financial reporting for the public sector, ensuring that tax revenue is accurately accounted for and reported. These regulations help governments and public sector entities follow best practices in financial management and reporting (Krishnan, 2016).

Revenue Recognition

In the context of redemption of tax revenue, "recognition" refers to the process of formally and officially acknowledging that tax revenue has been received or earned and should be recorded in the financial statements of a government or public sector entity (Serdarevic & Muratovic-Dedic, 2021). Recognition involves the inclusion of tax revenue in the financial records, which is an essential step in the accounting process. The recognition of tax revenue is typically guided by accounting standards and regulations, such as IPSAS 23 (International Public Sector Accounting Standard 23), which provides guidelines for recognizing revenue from non-exchange transactions, including taxes. The amount of tax revenue must be measurable with a reasonable degree of certainty. This means that the government or entity should be able to reasonably estimate the amount of tax revenue that will be collected (Serdarevic & Muratovic-Dedic, 2021).

The tax revenue recognized should represent economic benefits that are expected to flow to the government or entity. In the case of tax redemption, this may involve funds that have been collected and are available for use. The government or entity should have control over the tax revenue. This typically means that the entity has the legal authority to collect and use the tax revenue (Ofoegbu, 2014). Once these criteria are met, the tax revenue is formally recognized in the financial statements, reflecting the inflow of revenue into the government's or entity's financial accounts. This recognition is important for transparency, accountability, and compliance with accounting standards, ensuring that financial information accurately represents the financial position and performance of the government or public sector entity (Serdarevic & Muratovic-Dedic, 2021).

Revenue Measurement

In the context of redemption of tax revenue, "measurement" refers to the process of quantifying and determining the amount of tax revenue that has been received or earned by a government or public sector entity. Measurement is a crucial step in the accounting and financial reporting of tax revenue, ensuring that the revenue is accurately represented in the entity's financial statements (Murunga et al., 2021). Measurement involves assigning a specific monetary value to the tax revenue that has been collected or earned. This quantification should be based on reliable and verifiable information, such as tax returns, assessments, or actual payments received. The amount of tax revenue should be expressed in the local currency or the currency in which the government's financial statements are prepared. If tax revenue is collected in foreign currencies, appropriate exchange rates should be applied for translation (Tawiah, 2016).

Measurement also considers the timing of when the tax revenue is recognized. Tax revenue may be recognized when it is earned, received, or when the obligations related to the revenue are fulfilled, depending on accounting standards and regulations Jensen, 2016). The measurement process should be accurate and consistent. It should follow established accounting principles and standards, such as IPSAS (International Public Sector Accounting Standards), to ensure the reliable and consistent reporting of tax revenue. Measurement is essential to provide stakeholders with a clear and accurate picture of the financial position and performance of the government or public sector entity (Krishnan, 2016). It enables transparency, accountability, and effective financial management by ensuring that tax revenue is correctly reported in financial statements, budgets, and other financial documents. This, in turn, helps in evaluating the financial sustainability and effectiveness of the entity's tax revenue management.

Revenue Presentation and Disclosure

In the context of redemption of tax revenue, "presentation" and "disclosure" refer to two important aspects of financial reporting and transparency, particularly in the context of public sector accounting and financial statements (IFAC, 2022). Presentation relates to how financial information, including tax revenue, is organized and displayed in the financial statements. It involves the structure, format, and layout of financial reports to ensure that they are clear, informative, and easily understandable to users such as citizens, investors, and other stakeholders (Ijeoma & Oghoghomeh, 2014). Presentation of tax revenue typically includes information about when tax revenue is recognized in the financial statements (e.g., upon collection or when it is earned). Grouping tax revenue into appropriate categories or classifications to provide a clear overview of different sources or types of revenue (e.g., income tax, sales tax, property tax). Presenting tax revenue data for the current period alongside data from prior periods (usually the previous year) to facilitate performance and trend analysis (Alkhabbaz & Suresh, 2023).

Providing explanations, notes, or descriptions that accompany the financial statements to help users understand the nature of tax revenue, any significant changes, and other relevant details. Effective presentation ensures that financial information is structured in a way that enhances its utility and comprehensibility for financial statement users (Serdarevic & Muratovic-Dedic, 2021). Disclosure is the act of providing additional information or explanatory notes that accompany the financial statements to offer more context, details, and transparency about tax revenue. Disclosure provides a comprehensive understanding of tax revenue-related matters. Disclosing the accounting policies and methods used for recognizing, measuring, and presenting tax revenue. This ensures transparency in the accounting practices applied (TPI, 2016).

Disclosure of any significant assumptions or estimates made in calculating tax revenue. For example, assumptions related to uncollectible taxes. Disclosing any tax liabilities, potential claims, or provisions that could affect the redemption or collection of tax revenue. Disclosure of any transactions related to tax revenue involving government entities, agencies, or other parties that might have an impact on the revenue's redemption. Disclosing any contingencies or uncertainties related to tax revenue, such as ongoing disputes or legal cases (IFAC, 2022). Effective presentation and disclosure in financial statements help ensure that users have a comprehensive and accurate view of the government's tax revenue, how it is recognized, its significance to the government's financial position, and any associated risks or uncertainties. This transparency is crucial for accountability and decision-making processes.

Redemption of Tax Revenue

Redemption of tax revenue refers to the process by which collected tax revenues are utilized or repurposed for various government expenditures and financial obligations. In essence, it involves the allocation and expenditure of funds derived from taxes for specific purposes or public services as intended by the government's budgetary plans and fiscal policies (Aboukhadeer et. Al., 2023). Tax revenue is initially collected from individuals, businesses, or other taxable entities through various tax mechanisms, such as income tax, sales tax, property tax, or corporate tax. These revenues are then accumulated in government accounts. Governments plan their budgets to allocate tax revenues to different sectors, programs, and services. These allocations are typically detailed in the government's budgetary appropriations and expenditure plans.

Once tax revenues are collected, they are used to finance a wide range of public services and government functions. These may include healthcare, education, infrastructure development, defense, social welfare programs, public safety, and administrative expenses, among others. Part of the tax revenue may also be allocated to redeeming government debt obligations, such as interest payments and the repayment of bonds or loans (Adegbie et al., 2023). This is particularly important for maintaining the government's creditworthiness and financial stability. Governments may use tax revenue to stimulate economic growth by investing in infrastructure projects, promoting business development, and creating jobs. The process of redeeming tax revenue is subject to financial management, accounting, and auditing practices to ensure accountability and transparency. Government accounting officers play a crucial role in managing and overseeing the proper allocation and redemption of tax revenue (Hadisantoto et al., 2023).

The way tax revenue is redeemed has a significant impact on public policy and the overall well-being of a nation's citizens. It reflects the government's commitment to fulfilling its obligations and meeting the needs and expectations of the public (Adewara et al., 2023; Akinadewo et al., 2023). Governments are required to report and disclose their revenue redemption activities through financial statements, budget reports, and other transparency mechanisms to inform citizens, stakeholders, and investors about the utilization of tax revenues. The redemption of tax revenue is a critical component of public financial management and governance. It ensures that the funds collected from taxpayers are utilized for the betterment of society, public services, and the fulfillment of government obligations. Properly managing tax revenue is vital for achieving sustainable financial practices and maintaining the trust and support of the public (Aluko et al., 2022).

Theoretical Review

This study reviewed agency theory and this study was grounded in the framework of agency theory, which was originally formulated by Jensen and Meckling (1976). Agency Theory provides a valuable theoretical perspective for evaluating the effectiveness of IPSAS 23 regulations on the redemption of tax revenues in the context of the Ekiti State Government. In the context of the Ekiti State Government, the government itself (the principal) entrusts its tax collection and redemption responsibilities to various tax agencies and departments (the agents). This principal-agent relationship is central to Agency Theory. Agency Theory emphasizes the potential misalignment of interests between principals and agents. In this case, the Ekiti State Government's interests include efficient tax revenue collection, adherence to financial regulations (such as IPSAS 23), and responsible use of collected tax revenues. The tax agencies, as agents, are tasked with achieving these objectives on behalf of the government. Agency Theory recognizes that information asymmetry may exist between principals and agents. The government relies on tax agencies to accurately collect and report tax revenues while adhering to IPSAS 23 standards. The effectiveness of these regulations in reducing information asymmetry and ensuring transparency can be explored.

Agency Theory also deals with issues of moral hazard and adverse selection, which are relevant to tax collection. Tax agencies might have incentives to engage in moral hazard by underreporting tax revenues, and the government must address adverse selection issues when selecting or contracting with tax agencies. Evaluating the contractual arrangements between the government and tax agencies, including how they align with IPSAS 23 regulations, can be analyzed through the lens of Agency Theory. The study can assess the mechanisms in place to mitigate agency problems and ensure compliance with tax redemption standards. The theory's emphasis on incentive structures can be applied to understand how IPSAS 23 regulations may influence the incentive systems for tax agencies and officers. Do these regulations provide incentives for efficient tax collection and redemption? In summary, Agency Theory provides a theoretical foundation for assessing the relationship between the Ekiti State Government (principal) and its tax collection agencies (agents), particularly in the context of adhering to IPSAS 23 regulations. It offers insights into the challenges, incentives, and mechanisms at play in the tax revenue redemption process, helping to evaluate the effectiveness of these regulations.

Empirical Review

This study conducted a literature review to gain insights into the research's fundamental objectives. In the research by Alkhabbaz and Suresh (2023), the primary aim was to investigate the impact of adopting International Public Sector Accounting Standards (IPSAS) on the comparability of financial reports in India's public sector. To achieve this goal, both primary and secondary data sources were utilized. Primary data were collected from employees in the accounts departments of Public Sector Enterprises (PSEs) in India using a well-designed questionnaire based on a 5-point Likert scale. Of the 100 distributed questionnaires, 75 were returned and considered as the sample, with a significance level of 5%. SPSS software was used for data analysis, employing Spearman's correlation test to test the hypothesis. The study's findings and recommendations indicated that the adoption of IPSAS had a significantly positive impact on enhancing the comparability of financial reports in India's public sector.

In the research by Aboukhadeer et al. (2023), the main objective was to identify the importance of adhering to governance standards and International Public Sector Accounting Standards (IPSAS) in enhancing the quality of accounting information. The study population

included board directors, non-audited members, internal auditors, accountants, and department heads in various government entities in Libya's Government Sector. A total of 400 questionnaires were distributed to these stakeholders, and the data was analyzed using SPSS and PLS-SEM. The study revealed that five latent variables related to governance standards and IPSAS compliance (ensuring sound governance, disclosure, responsibilities of the board of directors, preservation of stakeholders' rights, and fair equal treatment) had a positive and significant effect on the quality of accounting information among employees in Libyan banks.

Sanni et al. (2023) investigated how the implementation of accounting standards affects corrupt practices in Ogun State, Nigeria. The study adopted a survey research design, employing questionnaires to gather primary data from staff in selected Ministries, Departments, and Agencies (MDAs) in Ogun State. The sample consisted of 600 accounting staffers and lecturers across various MDAs. The study's regression analysis demonstrated that accounting standards had a positive and significant impact on deterring corrupt practices, suggesting that adherence to standards alone may not entirely eliminate corruption in Nigeria.

Murunga et al. (2021) estimated the influence of the informal sector's size on tax revenue performance in Kenya from 1970 to 2018. Their findings revealed a negative impact, indicating that despite the informal sector's growing output, it generated limited tax revenue. Serdarevic and Muratovic-Dedic (2021) explored how revenue recognition and reporting expenses affect the stage of completion of contract agreements, especially in construction firms. Their analysis revealed that revenue recognition is positively associated with reported income before tax and the cost of material as a direct expense allocated to construction agreements.

Tawiah (2020) investigated the extent to which IPSAS either constrains or enables corruption in developing countries using data from 77 developing nations. The research indicated a significant negative association between corruption and IPSAS. In the context of Anambra State, Egolum and Ndum (2021) examined how implementing IPSAS impacts financial reporting quality in the public sector. Their findings showed that the standards significantly improved accountability, transparency, and reduced corruption in the state's civil service.

Seiyaibo (2020) conducted an empirical analysis of the impact of adopting IPSAS on reducing corruption in Nigeria's public sector, with Bayelsa state as the case study. Findings derived from chi-square analysis indicated that the accrual method in IPSAS supports forensic accountants in establishing effective control systems to deter corruption. Olaoye and Talabi (2018) examined the economic benefits associated with IPSAS implementation in Nigeria, using Ekiti State as a case study. They employed a descriptive research survey method and conducted OLS regression on the administered questionnaire. The results revealed no significant relationship between IPSAS implementation and financial reporting, and economic benefits from the implementation were deemed insignificant.

Wang and Miraj (2018) investigated the challenges related to the adoption of International Public Sector Accounting Standards (IPSAS) to enhance the comparability of financial reports in the public sector, encompassing various South Asian countries like India, Pakistan, Bangladesh, Nepal, and Sri Lanka. The study assessed the extent to which these countries had embraced IPSAS. Data was collected solely from secondary sources, and a comprehensive analysis of existing literature was conducted to address the research questions. The findings showed variations in the adoption of IPSAS among these countries, such as Nepal's issuance of Nepal Public Sector Accounting Standards (NPSAS) based on IPSAS, Bangladesh's ongoing process of adoption, Pakistan's adoption of cash basis standards, and Sri Lanka's development of 10 accounting

standards based on IPSAS. India's adoption process faced challenges like a lack of experienced staff, delays in financial reporting, and a lack of a finalized adoption timetable.

Krishnan (2016) explored the decision-making processes behind the convergence of IFRS and IPSAS in India, utilizing a transnational governance theoretical approach. The study examined the pathways that led to the convergence decision's adoption in both India's public and private sectors. Data collection methods included documentary analysis and in-depth interviews with individuals well-versed in convergence decision-making in India. The data analysis was conducted in two phases: the first phase involved chronologically categorizing empirical evidence to understand the sequence of events and communications during the decision-making process. In the second phase, analytical themes were developed based on the research objectives and the chosen theoretical framework. The study found that India's position was influenced by the US's decision to delay its convergence with IFRS and IPSAS, a significant trading partner, as well as informal links with countries like Japan, another key economic counterpart.

Ijeoma and Oghoghomeh (2014) explored the expectations, challenges, and benefits of adopting International Public Sector Accounting Standards (IPSAS) in Nigeria. Their objective was to assess the impact of IPSAS adoption on accountability, transparency, and comparability in Nigeria's public sector. Primary data sources were used for data generation, and statistical tools like the Chi-square test, Kruskal Wallis test, and descriptive analysis were applied. The study revealed that IPSAS adoption would enhance accountability, transparency, comparability, international best practices, and the quality of financial reporting in Nigeria's public sector. It was also noted that IPSAS adoption would provide more meaningful information for decision-makers.

Ofoegbu (2014) investigated whether the adoption and implementation of IPSAS accrual accounting by new public management would improve accountability, transparency, and the quality of accounting information in the Nigerian public sector's financial reporting. The study employed a survey design method to assess public opinion. Both secondary and primary sources contributed to data generation.

The existing studies predominantly focus on examining the impact and challenges related to the adoption of IPSAS. However, there is a need for more comprehensive research that takes a new perspective, considering how countries from different regions face challenges in implementing IPSAS. Additionally, most of these studies are cross-sectional, offering insights at a specific moment in time. Longitudinal studies that track the long-term evolution and effects of IPSAS adoption would be valuable in determining if the initial positive outcomes endure or if new challenges emerge over time. Although some studies touch upon implementation challenges, there is a clear gap in the literature for more in-depth investigations into the specific obstacles confronted by governments and public sector entities during the IPSAS adoption process. Understanding these challenges and the strategies used to address them is crucial for effective implementation and can inform future policies and practices. This study aims to address these gaps by exploring how adherence to IPSAS 23 can improve the efficient use of tax revenues and support a state's development agenda. Ekiti State serves as a relevant case study, reflecting the challenges faced by many states and regions worldwide in navigating the complex landscape of public finance. Hence, the null hypothesis is formulated in the following manner:

H_0: The effectiveness of IPSAS 23 regulations does not significantly affect the redemption of tax revenues.

METHODOLOGY

In this study, a survey design was employed. Questionnaires were distributed directly to the specified participants, who were the Revenue Officers of Ekiti State Internal Revenue Service (EKSIRS). The entire population comprised 428 revenue officers, and we chose to use a census sampling method, which encompasses the entire population at 100%. Out of all the questionnaires distributed, 311 were returned with completed responses. The collected data was subsequently analyzed using both descriptive and inferential statistical techniques.

Model Specification

To clarify the connection between the independent and dependent variables, an econometric model was formulated and is outlined as follows:

RTR = β_0+ β_1RER + β_2REM + β_3RPD + ε it

Where:

RTR   = Redemption of Tax Revenue
RER   = Revenue Recognition
RPD   = Revenue Presentation and Disclosure
REM   = Revenue Measurement
ε it = Error term
β_0 = Intercept
β_1, β_2, β_3, β_4, β_5, β_6, β_7 = The Coefficients of the unknown variables

The *a-priori* expectation = β_1, β_2, β_3, β_4, β_5, β_6, $\beta_7 > 0$, the implication of this is that a positive relationship is expected between the explanatory variables and the explained variable.

Reliability Test

As displayed in Table 1, the Cronbach Alpha values pertaining to various dimensions of the study serve as indicators of the internal consistency of the scale items. The dimension related to the Redemption of Revenue (RTR) showed a Cronbach Alpha of 0.756, encompassing a total of 5 items. Similarly, the dimension associated with Revenue Recognition (RER) yielded a Cronbach Alpha of 0.829 across 5 items. The dimension of Revenue Presentation and Disclosure (RPD) achieved a Cronbach Alpha of 0.774 with 5 items. Additionally, the dimension concerning Revenue Measurement (REM) obtained a Cronbach Alpha of 0.808, covering 5 items. These findings affirm that all scale items exhibit strong internal consistency, as evidenced by Cronbach Alpha values exceeding 0.7.

Table 1: Reliability Test Results

S/N	Variable	No. of Items	Cronbach's Alpha
1	Revenue Recognition (RER)	5	0.829
2	Revenue Presentation and Disclosure (RPD)	5	0.774
3	Revenue Measurement (REM)	5	0.808
4	Redemption of Tax Revenue (RTR)	5	0.756

Source: Author's Computation (2023)

RESULTS AND DISCUSSION
Descriptive Statistics

Table 2 provides descriptive statistics used to analyze the variables in the study. The average values for Revenue Recognition (RER), Revenue Presentation and Disclosure (RPD), Revenue Measurement (REM), and Redemption of Tax Revenue (RTR) are approximately 4.7492, 4.4405, 4.4019, and 4.7042, respectively. These averages indicate the central tendency or typical values for each variable. The minimum and maximum statistics show the range of values within the dataset. For all variables (RER, RPD, REM, and RTR), the values range from 1 to 5, indicating that the data covers the full spectrum of the measurement scale. Standard Deviation values provide insights into the degree of variation or dispersion in the data. For RER, RPD, REM, and RTR, the standard deviation values are approximately 0.64866, 1.18682, 1.23231, and 0.72018, respectively. Higher standard deviations suggest greater variability in the data. Variance statistics are a measure of how much the data points differ from the mean. The variance values for RER, RPD, REM, and RTR are approximately 0.421, 1.409, 1.519, and 0.519, respectively. These values help quantify the spread of data points. Skewness values indicate the symmetry of the data distribution. Negative skewness suggests that the distribution is skewed to the left, while positive skewness indicates a right-skewed distribution. In this case, RER, RPD, REM, and RTR exhibit varying degrees of negative skewness, indicating that the data distributions are skewed to the left. Kurtosis statistic values relate to the shape of the distribution and the presence of outliers. High kurtosis values suggest heavier tails and a more peaked distribution. In this context, RER, RPD, REM, and RTR have varying levels of kurtosis, with some indicating potentially heavy-tailed distributions. These descriptive statistics provide a comprehensive overview of the characteristics and distribution of the study's variables, helping to understand the data's central tendency, variability, and distribution shape.

Table 2: Descriptive Statistics

	N	Min.	Max.	Mean	Std. Deviation	Variance	Skewness		Kurtosis	
		Statistic						Std.		Std.
	Statistic	ic	Statistic	Statistic	Statistic	Statistic	Statistic	Error	Statistic	Error
RER	311	1.00	5.00	4.7492	.64866	.421	-3.984	.138	19.328	.276
RPD	311	1.00	5.00	4.4405	1.18682	1.409	-1.675	.138	.884	.276
REM	311	1.00	5.00	4.4019	1.23231	1.519	-1.615	.138	.726	.276
RTR	311	1.00	5.00	4.7042	.72018	.519	-3.662	.138	15.587	.276
Valid N (listwise)	311									

Source: Author's Computation (2023)

Correlation Analysis

Table 3 displays the Pearson correlations between the study's variables. This correlation analysis was conducted to assess the relationships between the variables under investigation. The results of the correlation matrix indicate a significant positive correlation among the variables, with coefficients of 0.697, 0.853, 0.876, and 0.738 for Revenue Recognition (RER), Revenue Presentation and Disclosure (RPD), Revenue Measurement (REM), and Redemption of Tax Revenue (RTR), respectively. These findings suggest that an increase in one variable is associated with a corresponding increase in another. Specifically, there is a positive correlation between the

implementation of IPSAS 23 regulations and the redemption of tax revenue, indicating that as IPSAS 23 regulations increase, tax revenue redemption also tends to increase.

Table 3: Correlations Analysis Matrix

		Revenue Recognition	Revenue Presentation and Disclosure	Revenue Measurement	Redemption of Revenue
Revenue Recognition	Pearson Correlation	1	.697**	.853**	.876**
	Sig. (2-tailed)		.000	.000	.000
	N	311	311	311	311
Revenue Presentation and Disclosure	Pearson Correlation	.697**	1	.948**	.598**
	Sig. (2-tailed)	.000		.000	.000
	N	311	311	311	311
Revenue Measurement	Pearson Correlation	.853**	.948**	1	.738**
	Sig. (2-tailed)	.000	.000		.000
	N	311	311	311	311
Redemption of Revenue	Pearson Correlation	.876**	.598**	.738**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	311	311	311	311

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Author's Computation (2023)

Regression Analysis of the Implementation of IPSAS 23 Regulations by the Ekiti State Government

The results of the regression analysis conducted to assess the impact of IPSAS 23 regulations on the redemption of tax revenues by the Ekiti State Government are presented in Tables 4 and 5. The coefficient of determination, as shown in Table 4, indicates an R-squared value of 0.877, which, when adjusted to 0.769, suggests that approximately 77% of the variation in the dependent variable (redemption of tax revenues) can be collectively explained by the independent variable (IPSAS 23 regulation). The remaining 23% accounts for other factors not considered in this study. Moreover, the combined significance of the model is confirmed by the F-statistics value of 339.741 with a probability of 0.000, signifying statistical significance. This indicates that IPSAS 23 regulations, encompassing revenue recognition, revenue presentation and disclosure, and revenue measurement, serve as reliable predictors of the redemption of tax revenues by the Ekiti State Government.

The statistical significance of each parameter related to the implementation of IPSAS 23 regulations on tax revenue redemption is outlined in Table 5. It demonstrates that, while holding IPSAS 23 regulations constant, there is a positive coefficient of 0.014 units associated with the redemption of tax revenues. Similarly, Revenue Recognition (RER) exhibits a statistically significant positive coefficient of 0.907, indicating that a one-unit increase in revenue recognition leads to a 0.907-unit increase in tax revenue redemption. Conversely, Revenue Presentation and Disclosure have an insignificantly positive coefficient of 0.000 units concerning tax revenue redemption, implying that a one-unit increase in revenue presentation and disclosure results in an

almost negligible change in tax revenue redemption. Lastly, Revenue Measurement (REM) displays an insignificantly negative coefficient of -0.036 units with respect to tax revenue redemption, suggesting that a one-unit increase in revenue measurement is associated with a decrease of 0.036 units in tax revenue redemption.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.877ᵃ	.769	.766	.34819

a. Predictors: (Constant), Revenue Measurement, Revenue Recognition, Revenue Presentation and Disclosure

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	123.565	3	41.188	339.741	.000ᵇ
	Residual	37.219	307	.121		
	Total	160.785	310			

a. Dependent Variable: Redemption of Revenue
b. Predictors: (Constant), Revenue Measurement, Revenue Recognition, Revenue Presentation and Disclosure

Source: Author's Computation (2023)

Table 5: Coefficients of Variation

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.014	.251		.055	.956
	Revenue Recognition	1.007	.079	.907	12.736	.000
	Revenue Presentation and Disclosure	-2.283E-14	.071	.000	.000	1.000
	Revenue Measurement	-.021	.094	-.036	-.222	.824

a. Dependent Variable: Redemption of Revenue
Source: Author's Computation (2023)

Discussion of Findings

The findings from the regression analysis evaluating the impact of IPSAS 23 regulations on the redemption of tax revenues by the Ekiti State Government are noteworthy. The study's results shed light on the relationship between the implementation of IPSAS 23 regulations and the redemption of tax revenues. Firstly, the overall significance of the regression model is confirmed by the F-statistics value of 339.741, accompanied by a probability value of 0.000. This statistical significance indicates that the collective impact of IPSAS 23 regulations, including revenue recognition, revenue presentation and disclosure, and revenue measurement, is a reliable predictor of tax revenue redemption by the Ekiti State Government. In essence, the implementation of these IPSAS 23 regulations significantly contributes to the redemption of tax revenues, signifying their importance in enhancing financial transparency and efficiency within the government's fiscal operations.

Examining the individual parameters related to the implementation of IPSAS 23 regulations on tax revenue redemption further elucidates the specific contributions of each dimension. While holding IPSAS 23 regulations constant, the positive coefficient of 0.014 units associated with tax revenue redemption suggests that simply adhering to these regulations contributes positively to

revenue redemption. This underscores the role of IPSAS 23 in promoting sound financial practices within the government. Revenue Recognition (RER) emerges as a particularly influential factor, as it exhibits a statistically significant positive coefficient of 0.907. This signifies that a one-unit increase in revenue recognition leads to a substantial 0.907-unit increase in tax revenue redemption. Revenue Recognition, therefore, stands out as a pivotal component in enhancing tax revenue redemption, emphasizing the importance of accurately recognizing and accounting for revenue.

Conversely, Revenue Presentation and Disclosure (RPD) display an insignificantly positive coefficient of 0.000 concerning tax revenue redemption. This implies that a one-unit increase in revenue presentation and disclosure results in minimal, practically negligible, changes in tax revenue redemption. While RPD may contribute to overall transparency, its direct impact on revenue redemption appears to be minor, as indicated by its coefficient. Lastly, Revenue Measurement (REM) exhibits an insignificantly negative coefficient of -0.036 concerning tax revenue redemption. This suggests that a one-unit increase in revenue measurement is associated with a decrease of 0.036 units in tax revenue redemption. While the negative coefficient may seem counterintuitive, it highlights that a more precise measurement of revenue might result in lower tax revenue redemption. Further investigation is needed to understand the underlying dynamics of this relationship. In conclusion, the findings underscore the significance of IPSAS 23 regulations, particularly revenue recognition, in positively influencing tax revenue redemption in the context of the Ekiti State Government. The implementation of these regulations significantly contributes to efficient revenue management, ultimately supporting the government's financial stability and transparency. However, some nuances in the relationships between variables, as seen with Revenue Measurement, warrant further exploration to gain a comprehensive understanding of the factors affecting tax revenue redemption.

CONCLUSION AND RECOMMENDATIONS

This study investigated the impact of implementing IPSAS 23 regulations on the redemption of tax revenues by the Ekiti State Government. It employed regression analysis to assess the relationship between IPSAS 23 regulations, including revenue recognition, revenue presentation and disclosure, revenue measurement, and the redemption of tax revenues. The findings reveal substantial insights into this relationship. The results confirm that IPSAS 23 regulations have a significant collective impact on tax revenue redemption by the Ekiti State Government. The statistical significance, as indicated by the F-statistics value and probability level, underscores the vital role of these regulations in enhancing financial transparency and efficiency. Revenue Recognition emerges as a prominent contributor to tax revenue redemption, emphasizing the importance of accurate revenue recognition. In contrast, Revenue Presentation and Disclosure, while contributing to transparency, has a negligible direct impact on tax revenue redemption. An intriguing finding is an insignificantly negative relationship between Revenue Measurement and tax revenue redemption, suggesting that more precise revenue measurement may result in lower tax revenue redemption.

Practical Implications

The study's findings have practical implications for the Ekiti State Government. Embracing and implementing IPSAS 23 regulations, particularly focusing on robust revenue recognition practices, can significantly enhance the efficiency and transparency of tax revenue redemption processes. This, in turn, supports financial stability within the government.

Recommendations

Given its substantial positive impact, the Ekiti State Government should prioritize enhancing revenue recognition practices. This can be achieved through training and capacity-building for relevant staff to ensure accurate and timely recognition of revenue. Secondly, the negative relationship between revenue measurement and tax revenue redemption calls for a closer examination of measurement methods. The government should explore ways to improve revenue measurement without negatively affecting tax revenue redemption.

Suggestions for Future Studies

While this study provides valuable insights, several areas warrant further exploration: Firstly, a longitudinal study can assess the long-term impact of IPSAS 23 regulations on tax revenue redemption. Secondly, investigate the potential moderating factors that may influence the observed relationships. Finally, analyzes the challenges and barriers faced by governments in implementing IPSAS 23 regulations and their impact on tax revenue redemption. Continued research in these areas can contribute to a more comprehensive understanding of financial control mechanisms and their effects on sustainable fiscal policies.

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