Applied Finance and Accounting
Vol. 5, No. 1, February 2019
ISSN 2374-2410 E-ISSN 2374-2429
Published by Redfame Publishing
URL: http://afa.redfame.com

The Impact of International Financial Reporting Stanadard (IFRS) Adoption on Accounting Quality in Nigerian Listed Money Deposit Banks

Rabiu Saminu Jibril

Correspondence: Rabiu Saminu Jibril, Kano State Polytechnic, Department of Accountancy, Nigerian.

Received: December 10, 2018 Accepted: January 3, 2019 Available online: January 20, 2019

doi:10.11114/afa.v5i1.4046 URL: https://doi.org/10.11114/afa.v5i1.4046

Abstract

This study was aimed to empirically evaluate the impact of adoption of IFRS on accounting quality in Nigeria using the money deposit banks. The study utilized the annual reports and accounts of 15 banks listed in the Nigerian Stock Exchange for the period of 2011 to 2014 (that is two years before and two years after adoption); using liner regression analysis was employed in analyzing the data generated for the study. Based on the data analyses, the study found that large loss recognitions have increased in the post adoption period. Based on the research findings, the researcher recommends that developing nations should adopt IFRS as their financial reporting standard as it is capable of increasing their accounting quality. The researcher also recommends that research should be conducted to analyze why IFRS improves the accounting quality based on standard by standard, not the whole package.

Keywords: IFRS, adoption, accounting reporting quality

1. Introduction

Background of the Study

The issue of accounting harmony across the globe has for long gained a considerable debate. The committee known as international Accounting Standards Committee (IASC) which was founded in the year 1973 by a group of professional accounting practitioners. The IASC was to formulate harmony and worldwide accounting standard aimed at reducing the discrepancies in international accounting principles and reporting practices. In this regard, the accounting standards have globally considered and established by the International Accounting Standards Committee (IASC).it's established the (IASC) has energetically been championing the homogeny and standardization of accounting principles for over two decades (Carlson, 1997). In April 2001, the International Accounting Standards Board (IASC) took over the setting of International Accounting Standards from the International Accounting Standards Committee (IASC). Henceforth, the IASB updated the already existing International Accounting Standards and referred to them as International Financial Reporting Standards (IFRS).

However, with regard to Nigeria, adopting of IFRS was launched in September 2010, and mandated all public quoted companies to report their financial statement of the year 2012 and retrospectively report 2011 using those standards. The adoption was organized such that all stakeholders use the IFRS by January 2014. The adoption was scheduled to start with public listed entities and considerable public interest entities that are expressed to adopt the IFRS by January 2012. All other public interest entities are expected to mandatorily adopt the IFRS for constitutional purpose by January 2013, and small and Medium-sized entities shall mandatorily adopt IFRS by January 2014.

In the same way, in a study on adoption of IFRS at firm level, Meeks and Swann (2009), demonstrated that firms adopting IFRS had exhibited higher accounting quality in the before adoption period than they did in the after adoption period. In a study of financial data of firms covering 21 countries, Barth (2008), confirmed that firms applying IAS/IFRS experienced an improvement in accounting in accounting quality between the before adoption and after adoption periods. Latridis (2010), concluded on the basis of data collected from firms listed on the London Stock Exchange that IFRS implementation has favorably affected the financial performance (measured by profitability and growth potentials).

There is also growing number of studies number of studies that question the relevance of IFRS in developing and emerging economics. Irvine and Luca (2006), also reported that development of globalized set of accounting standards provides other benefits that are not so relevant to developing and emerging nations.

It was approved as the effective date for convergence of accounting standards in Nigeria with International Financial Reporting Standards (IFRS). This is to enable multinational companies operates across the global with a single harmonized standard.

Despite this adoption but I found limited empirical studies accessed the existing quality of financial reports using IFRS.

However, to guide the achievement of the research objective the following questions were developed: Is there any relationship between IFRS adoption and the timely loss recognition?

Aims and Objective of the Study

The main aim of this study is to assess the relationship between IFRS adoption and the accounting reporting quality in the Nigerian money deposit bank. Other the specific objectives are:

(1) To examine the relationship between timely loss recognition and the IFRS adoption of Nigerian money deposit bank

Research Hypothesis:

The following hypotheses were raise to guide the achievement of the study's objective:

$H_0$1: There is no positive significant relationship between IFRS adoption and the timely loss recognition in the Nigerian money deposit banks

2. Literature Review

Introduction

This chapter reviews the relevant literature on impact of international Financial Reports Standard on accounting quality in the Nigerian deposit banks. The study employed secondary data.

Conceptual Framework

International Financial Reporting Standards 'IFRS' are set of international accounting standard stating how particular types of transactions and other events should be reported in financial statements. IFRS are issued by the International Accounting Standard Board (Adeyemi, 2012).

IFRS are sometimes confused with International Accounting Standards (IAS), which are the older standards that IFRS replaced. (IAS were issued from 1973 to 2000, Martins, and Akpolo, 2013)

The goal with IRFS is to make international comparison as easy as possible. This is difficult because, to a large extent, each country has its own set of rules. For example, US GAAP is different Canadian GAAP. Synchronizing accounting standards across the globe is an ongoing process in the international accounting community.

Financial reporting can be defined in terms of those for whom the reports are intended. At end of the spectrum are the annual financial statements of an organization, which are the prime means of demonstrating its responsibility to its stakeholders; while at the other end are the internal repots, aimed at providing information for decision making by managers Nyor (2012) The integrity of an organization's accounting records demands that all reports are compiled using consistent principles and data (Cherry, 2008).

The main objectives of financial reporting are the production of accurate, complete, relevant, timely, and reliable financial information to demonstrate and maintain accountability, to meet statutory reporting requirements, to account to an organization's stakeholders for its finance and to support decision making (Ikpefan 2012).

The Nigeria Accounting Standards Board, in its Statement of Accounting Standards, defines the objective of financial statements as being 'to provide information about the reporting entity's financial performance and financial position that is useful to a wide range of users for assessing the stewardship of the entity's management and for making economic decisions'. An organization's accounting records are the principal sources of information for the preparation of financial statements. The accounting and financial information system should provide a basis for the generation of the management information and financial reports necessary for the day-to-day operation of the organization, and these should be consistent and compatible with the information in the financial statements (Martins and Akpolo, 2013).

Ifrs and Financial Accounting Quality

The adoption of IFRS around the globe is persistently and rapidly led to improvement of reporting quality through uniform set standards for financial quality. Therefore, accounting reporting quality is a function of the firm's overall institutional setting, including the legal and political system of the nation in which the firm resides (Adeyemi, 2012) Iyoha (2011) document that accounting reporting quality has increased worldwide since the beginning of the 1990s, and suggest that this could be due to factors such as globalization and anticipation of international accounting harmony.IFRS is contingent on at least two factors; increased 0f efficiency is based upon the premise that change to IFRS constitutes changes to a GAAP that induces higher financial reporting quality. For instant, Barth, Landsman, &

Lang (2006) find that companies that adopting IFRS have less earnings management, more timely loss recognition, and more value relevance for earnings, all of which they interpret as evidence of higher accounting reporting quality. Second, the accounting system is a complementary component of the country's overall institutional system, Irvine (2006) and is also determined by firm's incentives for financial reporting.

IFRS and Timely Loss Recognition

In a concurrent study, Iyoha (2011) assessed the capital market effects of mandatory IFRS adoption. They have found evidence that is consistent with reduced information asymmetry in association with mandatory IFRS adoption. They have argued that the impact could be driven by network impacts rather than accounting reporting quality performance. In the same vein, Cherry (2008) argued that if IFRS matters, then organization in countries that had least disclosure quality and dependence on equity financing before to mandatory IFRS should experience a greater effect after mandatory adoption. As such, using implied cost of equity capital as indicator, they find no effect among such countries even after two years under the new accounting standards. Other factors associated with financial reporting quality include the tax system, ownership structure, the political system, capital structure, and capital market development.

3. Research Methodology

Research Design And Instrument Used

The study makes use descriptive research design using secondary data collected from annual report and fax books of the deposit bank under study.

Population of the Study

Research populations are the total money deposit banks quoted on the floor of Nigerian stock exchange. The population for this study consist all deposit banks plc

Sampling Technique and Sampling Size

Since it may not be possible to reach out to all investors of deposit bank plc due to time and cost of administration of the research data, the study is limited to 30 investors of the firms.

Method of Data Collection

Two major sources of data were used that is primary and secondary sources. The primary data consist of the response from the questionnaire collected for the study, while the secondary data consists of information from other sources.

Model Specification

Timely Loss Recognition

Many studies have document firms‟ reluctance to report large loss in a timely manner (Ball et al., 2003; Lang &Raedy, 2003; Leuz et al., 2003). Timely loss recognition will be measured using the model developed by (Basu, 1997) adopted and modified by (Barth et al., 2008) to measure the effect of IFRS adoption on accounting quality. A positive coefficient of large negative income (LNEG) in the following equation indicate that firms report large losses more frequently after the adoption of IFRS as reporting standard and negative indicate otherwise.

$$TLR = \alpha0 + \beta1LNEGit + \beta2SIZEit + \beta3GROWTHit + \beta4EISSUEit + \beta5LEVit + \beta6DISSUEit + \beta7TURNit + \beta8CFit + \beta9AUDit + \varepsilon it \ldots\ldots (7)$$

Where

LNEG = dummy variable equal to 1 if net income scaled by total asset is less than - 0.20 and zero if otherwise.

SIZE = Natural logarithm of the market value of equity

GROWTH = Percentage change in sales.

EISSUE = Percentage change in ordinary shares.

LEV = Total debt divided by total book value of equity.

DISSUE = Percentage change in total liabilities.

TURN = Sales divided by total asset.

CF = Cash flow from operation divided by total asset.

AUD = Dummy variable equal to 1 variable equals 1 for observation in post adoption period and 0 for pre adoption period.

4. Results and Discussion

Introduction

In this chapter, the results of analysis made on the methodological approaches stated in the previous chapters are presented, alongside interpretation and implication of the result. Descriptive was used to explain the variables and regression analysis to test the null hypothesis.

Descriptive Statistics

Descriptive statistics being quantitative tools which are used in order to describe, examine or summarize the important behavior of the research data with a view to organize and present them in a more logical or meaningful form. Table 4.1a and Table 4.1b present the Minimum, Maximum, Mean and standard deviation for the whole test and control variables. Based on the measurement of the variables, each observation for change in net income, change in cashflow from operations, growth, change in common stock and change in total liabilities has a tendency of scoring between infinite negative percentages to infinite positive value. Small positive profit is scored one if net income by total assets is between 0 and 0.01 and scored zero if otherwise.

Large loss recognition is also scored one if annual income scaled to total asset is less than -0.02 and scored zero for otherwise and the same treatment also applied to auditors. That is scored one for firm audited by Big Four audit firms and set to zero for others.

Table 1a. Descriptive statistics for pre IFRS adoption

	N	Minimum	Maximum	Mean	Std. Deviation
SIZE	12	16.56	19.58	17.5667	.74568
GROWTH	12	82.34	99.05	88.8850	4.22986
TURN	12	.00	6.60	0.2908	1.43854
CF	12	.00	.03	.0025	.00835
TLR	12	.00	1.00	.8333	.38925
Valid N (listwise)	12				

Source: Generated from annual report and account, using SPSS version 21

Table 1b. Descriptive statistics for post IFRS adoption

	N	Minimum	Maximum	Mean	Std. Deviation
SIZE	12	18.56	21.58	19.5667	.88113
GROWTH	12	85.34	112.05	99.8850	6.22986
TURN	12	.00	9.60	2.2908	3.43854
CF	12	.02	.04	.0283	.00866
TLR	12	.00	1.00	.8333	.38925
Valid N (listwise)	12				

Source: Generated from annual report and account, using SPSS version 21

From the Table 4.1a and Table 4.1b above, the minimum, maximum, mean and standard deviation figures for post adoption period with respect to size were 18.56, 21.58, 19.5667, and 0.88113 respectively which are greater than 16.56, 19.58, 17.5667 and 0.74568 for pre adoption period, which is a good indicator that size to Money deposit banks in Nigeria is more in the post adoption period compared to that of pre adoption period. Similarly, with regards to the growth measure as the percentage change in sales, the minimum, maximum, mean and standard deviation figures for post adoption period with respect to size were 85.34, 112.05, 99.8850, and 6.22986 respectively which are greater than 82.34, 99.05, 88.8850 and 4.22986 for pre adoption period, which implies that Nigerian Money deposit banks are growing more in the post adoption period compared to that of pre adoption period.

Furthermore, the result of the descriptive analysis show that, turn over as the proportion of sales over total assets has minimum and maximum value of 0.00 and 9.60 respectively with mean value of 2.2908 and standard deviation of 3.43854 for the pre adoption period which greater than 0.00, 6.60, 0.2908 and 1.43854 for the pre adoption period. Similarly, the cash flow, as measured with the cash flow from operation over total assets, the minimum, maximum, mean and standard deviation for the post adoption period is 0.02, 0.04, 0.0283 and 0.00866 respectively which greater that that pre adoption period with 0.00, 03, 0.0025, and 0.00835.

Regression Analysis

Regression analysis on timely loss recognition on conducted using Barth et al., (2008) timely loss recognition model, the model was modified and used in this study in order to ascertain the impact of IFRS adoption on timely loss recognition. Table 4.2a and 4.2b presented the coefficient of reported large negative net income (LNEG) the timely loss recognition predictions if IFRSs were to improve the financial reporting quality.

Table 2a. Regression analysis for the pre adoption period

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.304	4.165		-.313	.765
	SIZE	.178	.159	.404	1.119	.306
	GROWTH	-.015	.022	-.239	-.681	.521
	TURN	.060	.054	.534	1.122	.305
	CF	-14.278	21.365	-.318	-.668	.529
	IFRS	.404	.470	.299	.859	.423

R squared= 0.338

a. Dependent Variable: TLR

Source: Generated from annual report and account, using SPSS version 21

Table 2b. Regression analysis for the post adoption

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-4.459	3.479		-1.282	.247
	SIZE	.297	.133	.673	2.239	.066
	GROWTH	-.033	.018	-.521	-1.798	.122
	TURN	.099	.045	.877	2.227	.068
	CF	41.344	17.154	.887	2.410	.053
	IFRS	1.453	.661	1.078	2.199	.070

R squared=0.623

a. Dependent Variable: TLR

Source: Generated from annual report and account, using SPSS version 21

The result of linear regression using timely loss recognition as dependent variable and IFRS adoption as the test variables with (Size, growth, turnover, and cash flow) as control variable is presented in table 4.2a. The entire predicting variables (thus: IFRS adoption, size, growth, turnover, and cash flow) appears to be insignificantly related to timely loss recognition. This suggests that Nigerian money deposit banks failed recognized loss provision. Although, the predicting variables under the study are able to explain 33.8% change in the firm timely loss recognition and the remaining 66.2% could be explained by the other variables, which are not captured during the period.

However, for post adoption period, IFRS adoption as an independent variable is found to have positive and significant relationship with timely loss recognition of the Nigerian money deposit banks at 10% level of confidence. This implies that IFRS adoption is highly related with timely loss recognition of the Nigerian money deposit banks.

From the side of control variables, size is found with positive and significant relationship with timely loss recognition, this suggest that sizes of the Nigerian money deposit banks is highly related to timely loss recognition. Meanwhile, the growth is found with negative and insignificant relationship with timely loss recognition, this implies that, the rate at which Nigerian money deposit banks is growing is relatively small.

However, turnover is found with positive and significant relationship with timely loss recognition, suggesting that, the more turnover is generated, the more loss will be recognized in the Nigerian money deposit banks. Similarly, cash flow is also found with positive and significant relationship with timely loss recognition. This implies that, the higher the cash generated from operating activities, the higher recognition of timely loss.

Finally, the predicting variables under the study are able to explain 62.3% change in the firm timely loss recognition and the remaining 37.7% could be explained by the other variables, which are not captured during the period.

Hypothesis Testing

The analysis was conducted in order to find out whether IFRS adoptionhas any effects on timely loss recognition. It was found that IFRS adoption is significantly related to timely loss recognition. Therefore, this study does not support the null hypothesis raised which state that:

H_{01}: There is no significant relationship between IFRS adoption and timely loss recognition.

Summary of Findings

This research used empirical method in studying the impact of IFRS adoption on the timely loss recognition of Nigerian money deposit banks. Based on the several statistical analyses conducted, interesting findings emerged from this research.

- Timely loss recognition as the dimension of accounting quality used in the study reveal a descriptive analysis of accounting quality.
- The results of liner regressions produced positive coefficients timely loss recognition and that proved IFRS adoption play significant role in determining the accounting quality during the periods under review.

5. Conclusions

The aim of this study is to evaluate the impact of IFRS adoption on the accounting quality in Nigeria for the money deposit banks of the Nigerian stock exchange. The study uses timely loss recognition as the determinants of accounting quality. The analysis of sample study shows that IFRS adoption in Nigeria played a significant role in determining accounting quality. Overall the results reject the null hypothesis raised.

Recommendations

Based on the above findings the present recommend thatother developing nations should adopt IFRS as their financial reporting standard since it is capable of increasing their accounting quality.

Finally, it is of the opinion of the researcher that future researchers should try to expand the timeframe of the period of study. research should also be conducted to assess the impact of adoption of IFRS on the financial reporting quality of SMEs in Nigeria and the researcher is also suggested that research should be conducted to analyze why IFRS improves the financial reporting quality based on standard by standard, not the whole package as whole.

References

Anderson, R. C., Mansi, S. A., & Reab, D. M. (2004). Board characteristics, accounting reporting integrity and the cost of debt. *Journal of accounting and economics, 37*(1), 315-342. https://doi.org/10.1016/j.jacceco.2004.01.004

Arnstrong, C. S., Barth, M. E, Jagolinzer, E. J., & Riedl, E. J. (2010). Market Reaction to the Adoption of IFRS in Europe. *The Accounting Review, 85*(1), 31-61. https://doi.org/10.2308/accr.2010.85.1.31

Baer, K. H. , Kang, J. K., & Wong, J. (2011). Employee treatment and firm leverage: a test of the stakeholder theory of capital structure. *Journal of financial economics ,100*(1), 130-153. https://doi.org/10.1016/j.jfineco.2010.10.019

Ball, R. (2006), “International financial reporting standards (IFRS): pros and cons for investors”. *Accounting and Business Research, 36*, 5-27. https://doi.org/10.1080/00014788.2006.9730040

Ball, R., & Shivakumar, L. (2006). The role of accruals in asymmetrically timely gain and loss recognition. *Journal of Accounting Research,44*(2), 207–242. Retrieved from http://onlinelibrary.wiley. https://doi.org/10.1111/j.1475-679X.2006.00198.x

Ball, R., Kothari, S. P., Robin, A., & Ball, R. (2006). International Financial Reporting Standards (IFRS): pros and cons for investors. *Accounting and Business Research*, *100*(1), 130-153. Retrieved from http://www.tandfonline. https://doi.org/10.1080/00014788.2006.9730040

Ball, R., Robin, A., & Wu, J. S. (2003). Incentives versus standards: properties of accounting income in four East Asian countries. *Journal of Accounting and Economics, 36*(1-3), 235-270. https://doi.org/10.1016/j.jacceco.2003.10.003

Barde, I. M. (2009). *An evaluation of accounting information disclosure in the Nigerian oil marketing industry* (Unpublished Doctoral Thesis) Bayero University, Kano.

Barth, M. E., Beaver, W. H., & Landsman, W. R. (2001). Therelevance of the value relevance literature for financial accounting standard setting : another view. *Journal of Accounting and Economics, 31*, 77-104. https://doi.org/10.1016/S0165-4101(01)00019-2

Barth, M. E., Landsman, W. R., & Lang, M. H. (2008). International Accounting Standards and Accounting Quality. *Journal of Accounting Research, 46*(3), 467-498. https://doi.org/10.1111/j.1475-679X.2008.00287.x

Barth, M. E., Landsman, W. R., Lang, M., & Williams, C. (2012). Are IFRS-based and US GAAP-based accounting amounts comparable ? *Journal of Accounting and Economics, 54*(1), 68-93. https://doi.org/10.1016/j.jacceco.2012.03.001

Barth, M. E., Landsman, W. R., & Lang, M. H. (2008). "International accounting standards and accounting quality". *Journal of Accounting Research, 46*(3), 467-498. https://doi.org/10.1111/j.1475-679X.2008.00287.x

Beaver, H. (2002). Perspective on Recent Capital Research. *The Accounting Review*, *77*(2), 453-474. https://doi.org/10.2308/accr.2002.77.2.453

Beekas, W, Pope, P., & Young, S. (2004). The link between earnings management and timeliness of earnings convertisms, and boards composition: Evidence from U.K corporate governance. *An international review, 12*, 14-59.

Belkaoui, A. H. (2004). *Accounting Theory* (5th ed.). London: Thomson learning.

Bova, F., & Pereira, R. (2012). The Determinants and Consequences of Heterogeneous IFRS Compliance Levels Following Mandatory IFRS Adoption: Evidence from a Developing Country. *Journal of International Accounting Research*, *11*(1), 83-111.

Biddle, G., Carsberg, S. B., Collins, D., & Zimmerman, J. (2000). The effect of international institutional factors on properties of accounting earnings (correction). *Journal of Financial Economics, 29*, 1-51.

Bova, F., & Pereira, R. (2012), "The determinants and consequences of heterogeneous IFRS compliance levels following mandatory IFRS adoption: evidence from a developing country". *Journal of International Accounting Research, 11*(1), 83-111. https://doi.org/10.2308/jiar-10211

Bushman, R., & Indjejikian, R. (1993).Shareholder demand for 'distorted' accounting disclosure. *The accounting review 68*(4), 765-789.

Bushman, R., & Smith, A. (2011).Financial accounting information and corporate governance. *Journal of accounting economics, 31*, 237-333.

Cairns, D., Massoudi, D., Taplin, R., & Tarca, A. (2011). IFRS fair value measurement and accounting policy choice in the United Kingdom and Australia. *The British Accounting Review, 43*(1), 1-21. https://doi.org/10.1016/j.bar.2010.10.003

Callao, S., Jarne, J. I., & Laínez, J. A. (2007). Adoption of IFRS in Spain: Effect on the comparability and relevance of financial reporting. *Journal of International Accounting, Auditing and Taxation, 16*(2), 148-178. https://doi.org/10.1016/j.intaccaudtax.2007.06.002

Capkun, V., Collins, D., & Jeanjean, T. (2013). The Effect of IAS/IFRS Adoption on Earning Management (Smoothing): A Closer Look at Competing Explanations. *Management (Smoothing): A. 10*(3), 1-67.

Chen, Y., & Rezaee, Z. (2012). The role of corporate governance in convergence with IFRS: evidence from China. *International Journal of Accounting and Information Management, 20*(2), 171-188. https://doi.org/10.1108/18347641211218470

Christensen, H. B., Hail, L., & Leuz, C. (2013). Mandatory IFRS reporting and changes in enforcement. *Journal of Accounting and Economics, 56*(2-3), 147-177. https://doi.org/10.1016/j.jacceco.2013.10.007

Christensen, H. B., Lee, E., & Walker, M. (2008). Incentives or standards: What determines accounting quality changes around IFRS adoption? *Journal of Accounting and Economics, 55*, 1-41.

Chua, Y. L., Cheong, C. S., & Gould, G. (2012). The Impact of Mandatory IFRS Adoption on Accounting Quality: Evidence from Australia. *Journal of International Accounting Research, 11*(1), 119-146. https://doi.org/10.2308/jiar-10212

Conover, C. M., Miller, R. D., Kousenidis, D., & Leventis, S. (2013). The impact of IFRS on accounting quality: Evidence from Greece. *Advances in Accounting, 29*(1), 108-123.

Dabor, E. L., & Adayemi, S. B. (2009). Corporate governance and the credibility of financial statement. *Journal of Business System, Governance and ethics, 4* (1). https://doi.org/10.1016/j.adiac.2013.03.004

Daske, H., Hail, L., Leuz, C., & Verdi, R. (2008). Mandatory IFRS Reporting around the World: Early Evidence on the Economic Consequences. *Journal of Accounting Research, 46*(5), 1085-1142.

De George, E. T., Ferguson, C. B., & Spear, N. A. (2013). How Much Does IFRS Cost? IFRS Adoption and Audit Fees. *The Accounting Review, 88*(2), 429-462. https://doi.org/10.2308/accr-50317

Dechow, P. M., & Schrand, C. (2004). *Earnings Quality*.The Research Foundation of CFA Institu.Dimitropoulos, P. E., Asteriou.

Demaki, G. O. (2013) "Prospects and Challenges of International Financial Reporting Standards to Economic Development in Nigeria". *Global Journal of Management and Business Research, 13* (1).

Dimitropoulos, P., & Asteriou, D. (2013). The Effect of Board Composition on the Informativenessand Quality of Annual Earnings: Empirical Evidence from Greece. *Research in International Business and Finance, 24,* 190-205. https://doi.org/10.1016/j.ribaf.2009.12.001

Donaldson, L., & Davis, J. H (1992). Steawardshiptheoryor agency theory: CEO Governance and sghare holder returns. *Australian Journal of management, 16*(1), 49-64. https://doi.org/10.1177/031289629101600103

Doukakis, L. C. (2010). The persistence of earnings and earnings components after the adoption of IFRS. *Managerial Finance, 36*(11), 969-980. https://doi.org/10.1108/03074351011081286

Doukakis, L. C. (2014). The effect of mandatory IFRS adoption on real and accrual-based earnings management activities. *Journal of Accounting and Public Policy*, In Press. https://doi.org/10.1016/j.jaccpubpol.2014.08.006

E., & Szakmary, A. (2008). The timeliness of accounting disclosures in international security markets. *International Review of Financial Analysis,17*(5), 849-869. https://doi.org/10.1016/j.irfa.2007.07.002

Epstein, B. (2003). *Wiley IAS 2003-Interpretation and Application of International Accounting Standards. U.S.A.: John Wiley & Sons Inc.* Retrieved from http://196.29.172.66:8080/jspui/handle/123456789/1516

Fox, A., Hannah, G., Helliar, C., & Veneziani, M. (2013). The costs and benefits of IFRS implementation in the UK and Italy. *Journal of Applied Accounting Research,14*(1), 86-101. https://doi.org/10.1108/09675421311282568

Francis, J., & Schipper, K. (1999). "Have financial statements lost their relevance?" *Journal of Accounting Research, 37,* 319-352. https://doi.org/10.2307/2491412

FRBN. (2010). *Report of the Committee on Road Map to the Adoption of International Financial Reporting Standards in Nigeria.* Road Map to the Adoption of International Financial Reporting Standards in Nigeria, (January), 1-40.

G. E. (2012). Voluntary IFRS disclosures: evidence from the transition from UK GAAP to IFRSs. *Managerial Auditing Journal,27*(6), 573-597. https://doi.org/10.1108/02686901211236409

Georgiou, O., & Jack, L. (2011). In pursuit of legitimacy: A history behind fair value accounting. *The British Accounting Review, 43*(4), 311-323. https://doi.org/10.1016/j.bar.2011.08.001

Gjerde, Ø., Knivsflå, K., & Sættem, F. (2008). The value-relevance of adopting IFRS: Evidence from 145 NGAAP restatements. *Journal of International Accounting, Auditing and Taxation, 17*(2), 92-112. https://doi.org/10.1016/j.intaccaudtax.2008.07.001

Goncharov, I., & Zimmermann, J. (2006). Do Accounting Standards influence the Level of Earnings Management? *Evidence from Germany, 31*, 1-28.

Gordon, E. A., Jorgensen, B. N., & Linthicum, C. L. (2010). *Could IFRS replace US GAAP? A Comparison of Earnings Attributes and Informativeness in the US Market.ZhurnalEksperimental'noi i TeoreticheskoiFiziki 1–65*. Retrieved from http://scholar.google.com

Guerreiro, M. S., Rodrigues, L. L., & Craig, R. (2012). Factors influencing the preparedness of large unlisted companies to implement adapted International Financial Reporting Standards in Portugal. *Journal of International Accounting, Auditing and Taxation, 21*(2), 169-184. https://doi.org/10.1016/j.intaccaudtax.2012.07.006

Hamid, F., Hashim, H. A., & Salleh, Z. (2012). Motivation for Earnings Management among Auditors in Malaysia. *Procedia - Social and Behavioral Sciences, 65*(ICIBSoS), 239-246. https://doi.org/10.1016/j.sbspro.2012.11.117

Hassan, S. U. (2011). Corporate governance and financial reporting quality: A study of Nigeria money deposit banks, International. *Journal of Research in computer application and Management (USA), 1*(6), 12-19.

Hassan, S. U (2013). Financial reporting quality: Does monitoring characteristics matters? An empirical analysis of Nigerian Manufacturing Factor. *The Business and Management review, 2*(7), 214-226.

Healy, P., & Wahlen, J. (2001).A review of the earnings management literature and its implications for standard settings. *Accounting Horizons*, *13*(4), 365-383. https://doi.org/10.2308/acch.1999.13.4.365

Healy, P. M., & Wahlen, J. M. (1999). A Review of the Earnings Management Literature and Its Implications for Standard Setting. *Accounting Horizons,13*(4), 365-383. https://doi.org/10.2308/acch.1999.13.4.365

Soderstrom, N. S., & Sun, K. J. (2007). IFRS Adoption and Accounting Quality . *A Review. European Accounting Review, 16*(4), 675-702. https://doi.org/10.1080/09638180701706732

Srivastava, A., & Bhutani, P. (2012). IFRS in India: Challenges and Opportunities. The IUP. *Journal of Accounting Research, XI*(2), 6-33. Retrieved from http://ideas.repec.org/a/icf/icfjar/v11y2012i2p6-32.html

Suadiye, G. (2012). Value Relevance of Book Value & Earnings under the local GAAP and IFRS: Evidence from Turkey. *EgeAkademik Review, 12*(3), 301-310. https://doi.org/10.21121/eab.2012319519

Subramanyam, K. R. (2014). *Financial Statement Analysis* (11th ed.). U.S.A.: McGraw-Hillinternational edition.

Tsalavoutas, I., André, P., & Evans, L. (2012). The transition to IFRS and the value relevanc of financial statements in Greece. *The British Accounting Review, 44*(4), 262-277. https://doi.org/10.1016/j.bar.2012.09.004

Tsalavoutas, I., Evans, L., & Smith, M. (2010). Comparison of two methods for measuring compliance with IFRS mandatory disclosure requirements. *Journal of Applied Accounting Research, 11*(3), 213-225. https://doi.org/10.1108/09675421011088143

Umobong, A. A., & Akani, D. (2015). International financial reporting standard adoption and quality of quoted manufacturing firm in Nigeria: A cross sectional study of brewery and cement manufacturing firms. *International Journal of Business and Mnagemnt Review, 3*(6), 61-77.

Verrecchi, R. (2001). Esays on disclosure. *Journal of accounting and economics*, *32*, 91-180.

Verstraete, T. (2006). Connecting stakeholders theoreies and condentionstohighlight the Adhesion of stakeholders to the business model of sart up. *World*, (June), 1-13.

Verstraete, T. (2006). Connecting Stakeholders Theory and Conventions Theory to Highlight the Adhesion of Stakeholders to the Business Model of a Start-up. *World*, (June), 1-13.

Voulgaris, G., & Walker, M. (2011). *IFRS and the Use of Accounting-Based Performance Measures in Executive Pay.* Social Science Research Network 1–75 Manchester.

Warfieid et al. (1995). Managerial ownership, accounting choices, and informativeness of earnings. *Journal of Accounting and Economics, 20*(1), 61-91. https://doi.org/10.1016/0165-4101(94)00393-J

Xu, W. (2014). *The effects of international financial reporting standard adoption on earnings management: Evidence from the U.K private firms*. Unpublished Master Thesis submitted to Tilburg University.

Yaacob, N., & Che-Ahmad, A. (2012). Audit Fees after IFRS Adoption: Evidence from Malaysia. *Eurasian Business Review, 2*(1), 31-46.

Yip, R. W. Y., & Young, D. (2012). Does Mandatory IFRS Adoption Improve Information Comparability? *The Accounting Review, 87*(5), 1767-1789. https://doi.org/10.2308/accr-50192

Zeghal, D., & Mhedhbi, K. (2006). An analysis of the factors affecting the adoption of international accounting standards by developing countries. *The International Journal of Accounting, 41*(4), 373-386. https://doi.org/10.1016/j.intacc.2006.09.009

Zéghal, D., Chtourou, S., & Sellami, Y. M. (2011). An analysis of the effect of mandatory adoption of IAS/IFRS on earnings management. *Journal of International Accounting, Auditing and Taxation, 20*(2), 61-72. https://doi.org/10.1016/j.intaccaudtax.2011.06.001