Title of Articles: A Perception Based Analysis of the Mandatory Adoption of International Financial Reporting Standards (IFRS) in Nigeria
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Abstract: Since the international financial reporting standards (IFRS) have been developed and accepted internationally, the decision of a country to embrace IFRS becomes a vitally important topic for researchers and standard setters. The preeminent objective of this paper is to elicit the opinion of stakeholders in financial reporting in Nigeria, regarding the necessity for the ongoing mandatory adoption of IFRS in Nigeria. The study adopts the questionnaire survey method to seek respondents’ views on the subject matter. Understanding firms’ adoption of IFRS can allow for insights into the benefits and costs colligated with such adoption. Specifically, this study is expected to be of significance to Equity Investors’ Group, Governments and Regulators, National standard setter, International Standards Setters and Donor Agencies, and various organizations engaged in accounting processes. We therefore employed the One Way Repeated Measure Analysis of Variance, and the Likelihood Ratio Test, otherwise referred to as G-test or maximum likelihood statistical significance test, in resolving the three hypotheses in the paper. The results show that there is a statistically significant difference in the perception of the stakeholders about the desirability of the mandatory adoption of IFRS. The stakeholders of interest were Preparers of Financial Reports, Auditors, Capital Market Operators, and Trainers of accounting students. Capital Market Operators was found to be the most optimistic about the success of the adoption of IFRS, while Auditors seem to be the least optimistic. Additionally we found that mandatory adoption of IFRS will have significant prospects as well as challenges on the activities of stakeholders. We recommended inter alia, that the capacity of regulators (Corporate Affairs Commission, Securities and Exchange Commission, National Insurance Commission, Central Bank of Nigeria to mention but a few) must be strengthened so as to enable them to effectively deal with accounting and financial reporting practices of the regulated concerns, so that the mandatory adoption of IFRS in Nigeria, does not become a mere labeled or nominal one.

Keywords: IFRS, SAS, perception, stakeholders, FRCN