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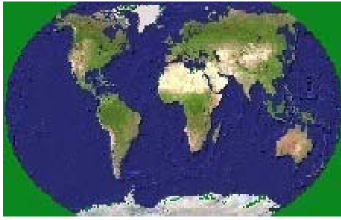

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C. J. Mgbame
Department of Accounting,
University of Benin, Nigeria.

P. A. Donwa
Department of Accounting,
University of Benin, Nigeria.

O. R. Agbonkpolor
Department of Accounting,
University of Benin, Nigeria.

Correspondence
C. J. Mgbame
Department of Accounting,
University of Benin, Nigeria.

International financial reporting standards (IFRS) and financial reporting implications

C. J. Mgbame, P. A. Donwa, O. R. Agbonkpolor

Abstract
This study was aimed at examining the effect of International Financial Reporting Standards (IFRS) adoption on financial reporting of the oil and gas, financial and non-financial sectors and also to find out if IFRS adoption enhanced the uniformity, comparability, transparency and reliability of the financial statements of these sectors
This study was conducted through a review of extant literature. It was found that the adoption of IFRS has improved financial reporting in oil and gas, financial and non-financial sectors in Nigeria especially in the area of disclosure requirement and that it is an effective tool for enhancing the uniformity, comparability, transparency and reliability of financial statements of the various sectors in Nigeria.
This study recommends that efforts should be made by regulators and authorities continually to monitor reporting by these sectors and also encourage consistent and comparable reporting.

Keywords: Oil and gas sector, financial sector, non-financial sector, IFRS adoption, Financial reporting.

1. Introduction

Financial statements apart from stating the financial position of an organization, provides other information such as the value added, changes in equity if any and cash flows of the enterprise within a defined period to which it relates (Iyoha & Faboyede, 2011) [10]. This information is useful to a wide range of users making informed economic decisions. The quality of financial reporting is indispensable to the need of users who require them for investment and other decision making purposes. Financial reports can only be regarded as useful if it represents the "economic substance" of an organization in terms of relevance, reliability, comparability and aids interpretation simplicity. Useful accounting information derived from qualitative financial reports help in efficient allocation of resources by reducing dissemination of information asymmetry and improving pricing of securities.

To prepare and audit financial statements, some standards have been put in place by appropriate bodies set up for the purpose of encouraging uniformity and reliability. The implementation of IFRS would reduce information irregularity and strengthens the communication link between all stakeholders. It also reduces the cost of preparing different version of financial statements where an organization is a multi-national. Accounting standards ensures that important matters regarding preparation and presentation of financial statements as well as auditing same are not left to whim of the preparers and auditors.

In pursuance of Nigeria addressing the global demand of adoption and harmonization of IFRS, the Nigeria's Federal Executive Council (FEC) gave approval for the convergence of Nigerian SAS with the IFRS issued by the International Accounting Standards Board guidelines from January 1, 2012. The adoption was organized such that all stakeholders use IFRS by January 2014. According to the IFRS adoption Roadmap Committee (2010), Public Listed Entities and Significant Public Interest Entities are expected to adopt the IFRS by January 2012. All Other Public Interest Entities are expected to mandatorily adopt the IFRS for statutory purposes by January 2013, and Small and Medium-sized Entities (SMEs) shall mandatorily adopt IFRS by January 2014).

In a bid to integrate the banking system into the global best practices in financial reporting and disclosure, the Central Bank of Nigeria (CBN) commenced partial adoption as from 2010. The move, according to the CBN, was to enhance market discipline and reduce uncertainties which limit the risk of unwarranted infection (Oduware, 2012) [16]. Nigerian listed entities were required to prepare their closing balances as at December 31, 2010 according to IFRS. The closing figures of December 31, 2010 will become the opening balances as at January 1, 2011 for IFRS based financial statements as at December 31, 2011. The opening balances for January 1, 2012 will be the first IFRS full financial statements prepared in accordance with the provision

of IFRS as at December 31, 2012. Before IFRS adoption era, most countries had their own standards with local bodies responsible for developing and issuance. The Nigerian Accounting Standards Board (NASB) was responsible for developing and issuing standards known as Statements of Accounting Standards (SAS) and in the new dispensation, the body was renamed Financial Reporting Council (FRC) of Nigeria as the regulatory body overseeing the adoption and implementation IFRS (Okpala, 2012) [17].

Most of the Nigerian Statement of Accounting Standards (SASs) issued by the NASB are outdated and considered insufficient to provide the necessary guidance in the preparation of qualitative financial statements. As a result, companies in the oil and gas, financial and non-financial sector, cook figures and manipulate financial statements because of this weak and ineffective regulation. These problems necessitated the introduction of the International Financial Reporting Standards (IFRS) and the replacement of the Nigerian Accounting Standards Board (NASB), the body responsible for the issuance of SAS with the Financial Reporting Council (FRC). These were intended to improve the general accounting quality of Nigerian companies, improve the comparability and transparency of their financial statement and reduce information asymmetry.

The objective of this paper is to examine the effect of IFRS adoption on financial reporting of the oil and gas sector, financial and non-financial sector and also to find out if IFRS adoption enhanced the uniformity, comparability, and reliability of the financial statements of these sectors in Nigeria.

Literature Review

IFRS Adoption in Nigeria

IFRS is issued by the International Accounting Standards Board (IASB), an independent organisation registered in the United States of America (USA) but based in London, United Kingdom. They pronounce financial reporting standards that ideally would apply equally to financial reporting by public interest entities worldwide.

Between 1973 and 2000, international standards were issued by the IASB's predecessor organisation, the International Accounting Standards Committee (IASC), a body established in 1973 by the professional accountancy bodies in Australia, Canada, France, Germany, Japan, Mexico, Netherlands, United Kingdom and Ireland, and the U.S. During that period, the IASC's pronouncements were described as International Accounting Standards (IAS). Since April 2001, this rulemaking function has been taken over by a newly constituted IASB. The IASB describes its pronouncements under the label "International Financial Reporting Standards", though it continues to recognise (accept as legitimate and adopted by them) the IAS issued by the defunct IASC. The adoption of IFRS in over 120 countries is an issue of global relevance among various countries of the world due to quest for uniformity, reliability and comparability of financial statements of companies. Following the global economic crises which led to the collapse of many viable institutions in some countries with its attendant alarming rate of unemployment, the financial crisis has shown how difficult it is to retain investor confidence when investors are uncertain about the information available to them (www.wecadeloitte.com/extranet/ifrsacademy).

Financial Reporting

The conceptual framework for financial reporting; (1) defines the objective of general purpose financial reporting which is to provide financial information about the reporting entity that is useful to existing and potential investors and other creditors in making decisions about providing resources to the entity, (2) identifies the qualitative characteristics that make the financial information in financial reporting useful and usefulness is enhanced if it is comparable, verifiable, timely and understandable, and (3) defines the basic elements of financial statements and the criteria for recognizing them in the financial statement (Deloitte, 2013) [8].

Major Differences in Nigeria GAAP (SAS) and IFRS

The major difference between IFRS and the Statement of Accounting Standards (SAS) is that the former is a more robust and principle based set of accounting standards with detailed disclosure requirements. For instance, the IASB Framework states that the objective of financial statements is to provide information about the financial position, performance and changes in financial position of an entity that is useful to a wide range of users in making economic decisions. In order to meet the objective, the framework requires financial statements to possess certain qualities which are understandability, relevance, reliability, and comparability. Other key areas of differences include
extensive use of fair values for financial instruments, more prescriptive and comprehensive guide for revenue recognition, a more rigorous process for determining goodwill in a business combination, change in format, components and nomenclature of certain items of financial statements (Ikpefan & Akande, 2012) [9].

OIL and GAS Sector

The activities of the petroleum industry are divided into two broad categories, upstream (offshore or deep-water operations) and downstream activities (onshore or on-land operations). Upstream activities involve acquisition of mineral rights in properties, exploration, development and production of crude oil and gas. While the downstream activities involve transporting, refining and marketing of oil, gas and derivatives. There are four major phases of crude Oil and Gas exploration and production, The Acquisition activities, Exploration activities, Development activities and production activities (Bala, 2013) [5].

Acquisition Activities

Acquisition activities are carried out by an Exploration & Production (E&P) enterprise towards the acquisition of right(s) to explore, develop and produce oil and gas. Acquisition costs cover all costs incurred to purchase, lease or otherwise acquire a property or mineral right. These include lease bonus, brokers' fees, legal costs, cost of temporary occupation of the land including crop compensation paid to farmers and all other costs incurred in acquiring these rights. These are costs incurred in acquiring the right to explore, drill and produce oil and gas including the initial costs incurred for obtaining the Petroleum Exploration License (PEL) or Letter of Authority (LOA) and Mining Lease (ML).

Exploration Activities

Exploration activities however cover the prospecting activities conducted in the search for oil and gas. In the course of an appraisal programme these activities include but are not limited to aerial, geological and geophysical (G&G), topographical and seismic surveys, analysis, studies and their interpretation, investigations relating to the subsurface geology including structural test drilling, exploratory type stratigraphic test drilling, drilling of exploration and appraisal

wells and other related activities such as surveying, drill site preparation and all work necessarily connected therewith for the purpose of oil and gas exploration.

The costs incurred in exploration activities include all direct and allocated indirect expenditure which include depreciation and applicable operating costs of related support equipment and facilities. Other exploration costs are G&G survey costs, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defence clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies. Costs of carrying and retaining undeveloped properties, such as delay rental, ad valorem taxes on properties, legal costs for title defence, maintenance of land and lease records and annual licence fees in respect of Petroleum Exploration License are all part of exploration costs. Further costs of exploration include dry hole contributions and bottom hole contributions; costs of drilling and equipping exploratory and appraisal wells; and costs of drilling exploratory-type stratigraphic test wells (Bala, 2013) [5].

Development Activities

Development activities for extraction of oil and gas include the purchase, shipment or storage of equipment and materials used in developing oil and gas accumulations, completion of successful exploration wells, the drilling, completion, recompletion and testing of development wells, the drilling, completion and re-completion of service wells, the laying of gathering lines, the construction of offshore platforms and installations, the installation of separators, tankages, pumps, artificial lift and other producing and injection facilities required to produce, process and transport oil or gas into main oil storage or gas processing facilities, either onshore or offshore, including laying of infield pipelines, the installation of the said storage or gas processing facilities. Development costs cover all the direct and allocated indirect expenditure incurred in respect of the development activities including costs incurred to gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground, draining, road building and relocating public roads, gas lines and power lines to the extent necessary in developing the proved oil and gas reserves; drill and equip development wells, development-type stratigraphic test wells and service wells including the cost of platforms and of well equipment such as casing, tubing, pumping equipment and the wellhead assembly; acquire, construct and install production facilities such as lease flow lines, separators, heaters, manifolds, measuring devices and production storage tanks, natural gas cycling and processing plants and utility and waste disposal systems; and provide advanced recovery system. Other development costs include costs include depreciation and applicable operating cost of related support equipment and facilities in connection with development activities, and annual license fees in respect of Mining Lease (Bala, 2013) [5].

Production Activities

Production activities consist of pre-wellhead (e.g., lifting the oil and gas to the surface, operation and maintenance of wells, extraction rights, etc.,) and post-wellhead (e.g., gathering, treating, field transportation, field processing, etc., up to the outlet valve on the lease or field production storage tank, etc.,) activities for producing oil and / or gas.

The costs incurred in production activities consist of direct and indirect costs incurred to operate and maintain an enterprise's wells and related equipment and facilities, including depreciation and applicable operating costs of support equipment and facilities. Pre-wellhead production costs include costs of labour, repairs and maintenance, materials, supplies, fuel and power, property taxes, insurance, severance taxes, royalty etc., in respect of lifting the oil and gas to the surface, operation and maintenance including servicing and work-over of wells. While Post-wellhead production costs include costs of labour, repairs and maintenance, materials, supplies, fuel and power, property taxes, insurance etc., in respect of gathering, treating, field transportation, field processing, field production, storage tank etc (Bala, 2013) [5].

Effects of IFRS Adoption on Financial Reporting In the Oil and GAS Sector

Up until 2012 when the International Financial Reporting Standard (IFRS) was adopted by exploration companies in Nigeria, Nigerian companies in the upstream sector prepared their financial statements in line with the Statement of Accounting Standard 14 (Accounting in the Petroleum Industry: Upstream Activities) and SAS 17 (Accounting in the Petroleum) formulated by the Nigerian Accounting Standard Board. By its adoption of IFRS, Nigeria joined over 100 countries that either use or have adopted the accounting guidelines as stipulated by the International Accounting Standard Board (IASB). IFRS 6 *Exploration for and evaluation of mineral resources* is the standard designed by the IASB specifically for the Oil and Gas sector to provide firms with guidance on recognition, classification and measurement of their assets This ensured harmony and easy comparison of financial statements, which is particularly useful in the oil and gas industry considering that it is one of the most global industries. The adoption of a common accounting framework also widens access to investment opportunities (Agbude, 2013) [3].

Disclosures normally provide further clarity of the financial information in order to assist users with additional information for the purpose of making informed investments decisions in the business. In Nigeria the information disclosure requirements in the financial statements under NG-GAAP were grossly inadequate to effectively bridge the information asymmetry between companies and the users of the financial statements. However, reporting under the IFRS regime requires companies especially in the Oil and Gas sector to make more disclosures regarding their reserves, discoveries and other key variables necessary for investment decision and to meet objective of financial statements, which is to show a true and fair view of the activities of a company. It is therefore observed that the companies disclose more of their financial information with the adoption of IFRS (Bala, 2013) [5].

In May 2011, the IASB released IFRS 13 Fair Value Measurement which consolidates fair value measurement guidance across various IFRSs into a single standard, and applies when another IFRS requires or permits fair value measurements, including fair value less costs to sell. There are some changes on adoption of the new standard but this is not expected to be widespread as the requirements are largely consistent with current valuation practices. IFRS 13 is most relevant for certain financial assets and derivatives in the oil and gas industry as few entities use fair value for non-financial assets outside of business combinations. The most significant impact is on entities that are involved in trading activities with non-financial contracts measured at fair value through profit or loss.

Financial Sector

Financial sector include financial institutions that provide financial services and advices to its clients. The financial institutions are also responsible for transferring funds from investors to the companies. Typically, these are the key entities that control the flow of money in the economy. Examples of financial institutions are banks, stock brokerage firms, non banking financial institutions, building societies, asset management firms, credit unions, and insurance companies. Some of the financial institutions also function as mediators in share markets and debt security markets. The principal function of financial institutions is to collect funds from the investors and direct the funds to various financial services providers in search for those funds. Financial institutions are also deposit taking financial organizations known as commercial bank, mutual savings banks, savings associations, and loan associations with the primary roles of accepting deposits, providing commercial loans, providing real estate loans, providing mortgage loans, and issuing share certificates. The Banks and Other Financial Institutions Act (BOFIA) 1991 defined non-bank financial institutions (NBFIs) as "Any individual, body, association or group of persons; whether corporate or unincorporated, other than the banks licensed under the Act which carries on the business of a discount house, finance company and money brokerage and whose principal object include factoring, project financing, equipment leasing, debt administration, fund management, private ledger services, investment management, local purchase order financing, export finance, project consultancy, pension fund management and such other business as the Bank may from time to time designate" (Acha, 2012) [1].

Examples of NBFIs operating in Nigeria includes finance companies who engage in short term non-bank money lending, leasing, hire purchase, factoring, LPO financing, export financing, electronic funds transfer and issue of vouchers, coupons, credit cards and token stamps, community/microfinance banks who are self-sustaining financial institutions owned and managed by local communities such as community development associations, cooperatives, town unions, individuals etc but are not allowed to participate in the foreign exchange market neither do they belong to the bank clearing system, bureaux de change involved in helping to attract hard currency into the country by offering prices better than the official rate and by availing Nigerians abroad who remit monies home a channel to do so, discount houses established to act as intermediaries between the CBN, the licensed banks and other financial institutions by mobilizing funds for investment in securities by providing discount/rediscount facilities in government short-term securities, development finance institutions (DFIs) popularly known as development banks are specialised institutions established to foster development in specified sectors of the economy, insurance companies which are institutions that undertake to indemnify their customers from economic loss and primary mortgage institutions (PMIs) who mobilize long-term funds for the development of housing (Acha, 2012) [1].

Effects of IFRS Adoption on Financial Reporting In the Financial Sector

Saidu and Dauda (2014) [20] identified that, banks across the globe have long had major issues with asset and liability recognition. The issue of IAS 32 dictating disclosure rules and IAS 39 dictating measurement rules for financial assets and liabilities was thus mired in controversy; so IFRS (specifically IFRS 9) has now solved the case and met the user needs. He also stated that, the adoption of the IFRS in the Nigerian Banking sector has ensured transparency, accountability and integrity in financial reporting necessary for addressing the crisis in the financial sector in Nigeria which was responsible for the Nigeria loss of the Foreign Direct Investment (FDI) in the oil and gas sector to countries such as Ghana who have begun oil production in commercial quantity and who are perceived to have better financial reporting standards in place.

The adoption of IFRS also, among other things, impact the way that financial institutions measure fair value for portfolios of derivatives with offsetting risks. The adjustment to reflect the 'own' credit risk entity, may potentially cause hedge ineffectiveness where derivatives are used for hedging purposes. Under IFRS 9, some securities may have to be accounted for on a fair value basis with the fair value changes taken to the income statement. Currently most banks account for loans and receivables at amortised cost, under IFRS 9 loans and receivable portfolio are accounted on amortised cost basis, provided these loans do not contain any exotic embedded derivative.

The adoption of the standard has greatly expanded the disclosure requirements of most financial institutions as IFRS regards consolidated financial statement as the main financial statement thereby upgrading transparency in accounting standards and the quality of overall financial information. Although the focus of banks reporting are on IFRS 9, IFRS 15 *Revenue from contracts with customers* is also likely to affect banks' accounts because of its potential impact on the amount and timing of revenue recognition. For example, on accounting for variable consideration and capitalizing costs to obtain a contract, it may therefore require banks to modify their current accounting policies.

Non Financial Sector

The non financial sector in Nigeria which includes the construction industry for the purpose of this study is a sector of national economy engaged in preparation of land and construction, alteration, and repair of buildings, structures, and other real property. There are different categories of construction industries; (1) Building Construction Industry which are all general contractors and operative builders primarily engaged in the construction of residential, farm, industrial, commercial, or other buildings, (2) Heavy Construction Industry which are all general contractors primarily engaged in heavy construction other than building, such as highways and streets, bridges, sewers, railroads, irrigation projects, and flood control projects and marine construction. This includes special trade contractors primarily engaged in activities not normally performed on buildings, such as highway grading or underwater rock removal. This does not include special trade contractors primarily engaged activities performed on buildings, and (3) Special Trade Construction Industry which are all special trade contractors who undertake activities of a type that are specialized either to building construction, including work on mobile homes, or to both building and non building projects. This includes projects such as painting, electrical work, plumbing, etc. This does not include activities specialized for heavy construction.

Effects of IFRS Adoption on Financial Reporting In the Non Financial Sector

Inconsistencies and weaknesses in accounting for revenue often resulted in different accounting for similar transactions and a pattern of revenue recognition that did not always reflect a company's performance. This led to diversity in practice and made it difficult for investors to understand a company's revenue or compare revenue with that of other

companies. Because of a lack of clear and comprehensive guidance, some companies that are involved in residential real estate in multi-unit developments have had difficulty with applying existing revenue requirements to the construction of real estate. In particular, those companies have had difficulty with determining whether the construction of such assets should be accounted for as a service (and, hence, revenue is recognised over time) or as the sale of a good that occurs when construction is complete (and, hence, revenue is recognised at that point in time).

With the adoption of IFRS and the recently issued IFRS 15 which is required to be applied to annual reporting periods beginning on or after 1 January 2017, it specifies a clear and objective basis for assessing whether revenue should be recognised at a point in time or over time companies in this sector are more likely to apply IFRS 15 early as it will enhance financial reporting because the new requirements specify a robust and comprehensive framework for recognising revenue that applies consistently to all contracts for goods or services (McConnell, 2014) [12].

Another major effect the adoption of IFRS has on financial reporting of this sector is that it has improved disclosure requirements about its contracts with customers to help users understand the amount, timing, and uncertainty of revenue and cash flows from contracts.

Empirical Review

The whole essence of financial reporting is to ascertain and objectively present the result of the economic activities and justified financial position in monetary terms and it's also expected to show how organizations strive to achieve their goals in the period under review. Companies in Nigeria were expected to comply fully with its provisions as from 2012 financial year, what this translates is that all financial statements presented to the shareholders are to be IFRS compliant. Affirmative statement of compliance to the provisions of IFRS is to be expressly stated in the financial statements of companies in Nigeria.

Adeyemi (2012) [2]; Oseni (2013) [18] is of the view that financial reporting has increasingly been viewed as a vital infrastructure for the growth of emerging capital markets. Adeyemi (2012) [2] further postulated that accounting standards are also viewed as cornerstones engendering credibility in the preparation of financial statements used in making financial investment decisions. He found out that many of the accounting standards relied upon in preparing financial statements had actually been outdated in relation to their International Accounting Standards (IASs) and International Financial Reporting Standards equivalents.

Madawaki (2014) [11] also believed that Nigeria's adoption of IFRS will advance the compilation of meaningful data of reporting entities' performance for comparability and reliability, facilitate and enhance informed decision making of investors, and attract foreign investments.

No country can stand in isolation from the growing acceptance of a common financial reporting language. If every country speaks a different accounting language, difficulty will arise in translating the financial reports and additional cost of translation had to be borne by the investors. Participants of the capital market in Canada, according to Cherry (2008) [7], were increasingly uncomfortable with Canadian standards that were neither IFRS nor U.S. GAAP, but a mix of both. He then opined that the move to IFRS by Canada will then place the country on the same reporting playing fields as other countries. The use of accounting information cuts across borders when common yardsticks are used in preparing the financial statements. This was corroborated by Nyor (2012) [15] when he posited that Nigerian companies should converge to IFRS in view of the fact that it will enhance better accountability and transparency and improve quality of reporting.

Akinyemi (2012) [14] is of the opinion that as foreign direct investments had increased in emerging economies of the world and cross border of capital inflows are involved due to acquisition and mergers of multinationals, effective financial reporting, harmonization of different practices in accounting and acceptance of standards had arisen. It has also been discussed that a number of benefits accrue to stakeholders where IFRS is adopted. Among these benefits are more confidence being imposed in the information presented in financial statements which can easily be understood by the local and foreign investors, creation of better access to the global capital markets by policy makers and higher standard of financial disclosure for national regulatory bodies.

According to Barth (2008) [6], the adoption of a common body of international standards is expected to have the following benefits: lower the cost of financial information processing and auditing to capital market participants as users, familiarity with one common set of international accounting standards instead of various local accounting standards by Accountants and Auditors of financial reports, comparability and uniformity of financial statements among companies and countries making the work of investment analysts easy, attraction of foreign investors in addition to general capital market liberalization. But Iyoha and Faboyede (2011) [10] mentioned ethical environment and the ability to protect qualified and competent employees from being poached by other companies due to challenges being faced by companies in the process of adopting the provisions of International Reporting Standards.

Ikpefan and Akande (2012) [9] highlighted the initial inconsistencies of IFRS with local laws in different countries. In Nigeria, the legal frameworks for preparing financial statements are spelt out by Companies and Allied Matters Act Cap C20, Laws of the Federation of Nigeria, 2004. Businesses in banking and insurance are subjected to Banks and Other Financial Institutions Act, (BOFIA) and Insurance Act respectively while that of the petroleum industry is the Petroleum Industry Bill (PIB), 2012 though still under debate. The IFRS provisions do not recognize these local laws. There is a need to amend these laws if IFRS is to be fully applied in various sectors in Nigeria. Provisions have to be made in respect of Islamic banking which eliminates interest in all banking operations and requirement to contribute a certain amount of their wealth yearly by way of an alms tax for the less privileged members of the society.

Muhammad (2012) [13] is of the opinion that external auditors have vital roles to play in ensuring strict compliance to the provisions of the standards. In his assessment of some selected Nigerian banks that are quoted on the Nigerian stock market, it was found out that firms recognized losses more frequently in the post adoption period than they do in the pre adoption period. He therefore concluded that accounting quality improved after the adoption of IFRS.

Conclusion and Recommendations

In this study, attempts were made to examine the effect of IFRS adoption on financial reporting of the oil and gas, financial and non-financial sectors. Based on the findings from review of literature, it was revealed that the adoption of

IFRS is aimed at promoting transparency, increasing quality and efficiency of financial reporting, providing financial statements that will engender investors' confidence (due to the robust disclosure requirements of IFRS) and facilitating cross-border stock exchange listing. Further, the adoption of IFRS is an effective tool for enhancing the uniformity and comparability of financial statements of companies in Nigeria and an analysis conducted by Price water house coopers showed that bank financial statements prepared under IFRS resulted in greater transparency, consistency, and comparability. The implication of IFRS on financial reporting among the various sectors that have adopted the standard is uniformity and comparability as well as the ease on interpretation of financial statements.

This study therefore concludes that the adoption of International Financial Reporting Standards by the oil and gas, financial and non-financial sectors has improved information quality across borders, produced more credible financial statements that is not only uniformed but also provides a basis for better interpretation, fostered cross border investments and with its single set of global accounting standard, comparability of financial statements can be achieved.

It is recommended that regulators and authorities continually monitor reporting by these sectors and also encourage consistent and comparable reporting.

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