International Financial Reporting Standards and Value Relevance of Financial Information: An Empirical Evaluation of Selected Nigerian Listed Companies

Auwalu Musa[1]
Ibrahim Muhammad Tanimu[2]

[1]Department of Accounting, Bauchi State University Gadau, Nigeria

[2]Department of Accounting and Finance, Abubakar Tafawa Balewa University Bauchi, Nigeria

Correspondence: Department of Accounting, Bauchi State University Gadau, Nigeria, Tel: +2348035137601
E-mail: auwalmusa7@gmail.com

Abstract

This study investigates the International Financial Reporting Standards (IFRS) and value relevance of financial information among Nigerian listed companies after the adoption of IFRS. 77 sample companies were randomly selected from the population. Data were collected from UUM-Data stream through the annual reports and accounts of companies, which consist of Stock price (dependent variable), Book value of equity and net income as (independent variables) for the year 2016. Ordinary Least Square Regression was the method used in analyzing the variables. The regression result revealed that there is a positive and significant relationship between book value of equity and net income on stock price. These reveal that the financial information of listed companies in Nigeria is more value relevant after the adoption of IFRS. In view of the findings, the study recommends that, Nigerian Stock Exchange should ensure that all listed companies are comply with the accounting framework issued by IFRS, in order to have full disclosure of their financial information.

Keywords: IFRS, Value Relevance, Financial Information, Stock Price, Nigeria.

1. Introduction

International Financial Reporting Standards (IFRS) has formed accounting framework to provide for recognition, measurement, presentation and disclosure requirements relating to transactions and events reflected in the financial statements. Financial statement present information about the financial position, performance and changes of an entity in a standardized and accurate form to investors, regulators, financial analyst and other users in making economic decisions (IASB Framework). Accounting standards are set of rules to be abiding by companies when preparing and presenting their financial reports to ensure uniformity of the standard across the market. Companies listed in the stock exchanges must published financial statement in accordance with the relevant accounting standards (Hung & Subramanyam, 2007).

International Financial Reporting Standards and Value Relevance of Financial Information: An Empirical Evaluation of Selected Nigerian Listed Companies

Auwalu Musa and Ibrahim Muhammad Tanimu

One may understand that financial statements have been the best media for communicating the extent of performance of organizations to the various stakeholders of organizations. To facilitate the communicative role of the financial statement, it is required to posses some qualitative characteristics which makes it relevant for decision making by investors (Aruwa & Naburgi, 2015).

Chen, Tang, Jiang, and Lin (2010) states accounting quality is the extent to which financial statement information reflects the underlying economic situation of an entity. The concept of accounting quality is based on IASB framework, which stated that relevance, reliability, understandability and comparability are key elements of accounting quality, which assumed that financial statement with the four qualitative characteristics, and have better quality.

The rapid growth of international market and globalization of financial markets across the world, makes financial reports prepared in accordance with the national accounting standards (Local-GAAP) no longer satisfying the requirements of international investors and multinational companies to make global comparison of the information contained (Terzi, Oktem, & Sen, 2013). Financial reports prepared purely based on national accounting standards may even be a handicap for multinational corporations as well as investors to determine the true financial position of the business (Zeghal & Mhedhbi, 2006).

As a result, the establishment of high quality financial reporting standards that had global acceptance was initiated when the international accounting standards committee (IASC) was formed by professional accounting bodies across the world from sixteen different countries in 1973 (Ezeani, & Rotimi, 2012). In 2001, the body was renowned properly into the International Accounting Standards Board (IASB) and jointly developed accounting standards and related interpretations referred to as the International Financial Reporting Standards (IFRS). Edogbanya and Kamardin (2014) found that the standards aimed to converge and harmonize financial statements in a single set of high quality and comparable transactions in the preparation and presentation of an entities financial report. Hence, it would have wider acceptance among investors, regulators, auditors, policy makers and financial analysts to have a comparable and unique information approach, that is relevant and timely presented for financing and investing decision.

Jacob and Madu (2009) found many countries around the world supports the adoption of IFRS as a body of high quality accounting standards which increases firm's financial reporting practices, ends accounting transaction disparity and tackled the recent global economic crisis. High quality accounting information influence investors' behavior with respect to make optimal investment decision and portfolio selection, and companies acquire capital at cheapest cost (Palea, 2013).

According to Bala (2013), the information disclosure requirements in the financial statements were inadequate to bridge the information asymmetry effectively among companies and the users of the financial statements under NGAAP. Changes in equity, income statement and significant management estimates and judgments are the major differences appeared in financial statement presentations that are not addressed in the Statement of Accounting Standards (SAS). Consequently, differences in impairment and risk management disclosure, financial guarantees, plant and equipment, leases, scope of consolidation, employee benefits and segment reporting are found differed with IFRS hence fair value is adopted (Madawaki, 2012).

2. Literature Review

2.1 International Financial Reporting Standards

International Financial Reporting Standards (IFRSs) are set of accounting standards established by an independent organization popularly known as International Accounting Standards Board (IASB). IFRS is a

International Financial Reporting Standards and Value Relevance of Financial Information: An Empirical Evaluation of Selected Nigerian Listed Companies

Auwalu Musa and Ibrahim Muhammad Tanimu

single set of accounting standards with a particular format to be used for financial statements, make it easier for public companies to compete globally, raise capital, and provide financial details (Kaiser, Schmid, Sheward & Bennett, 2014). The objective of the standards is to present a unique and comparable accounting framework for public companies on how to prepare and disclose their financial statements globally. Most significant financial accounting and reporting changes in the history of accounting was the adoption of IFRS across the countries by public companies (Cotter, Tarca & Wee, 2012).

Soderstrom and Sun (2007) states that over one hundred (100) countries around the world today have implemented IFRS and others have taken steps to adopt the standards in a near future. European Union countries mandate all public traded companies' to implement IFRS in preparing and consolidating their financial statements. United States Security and Exchange Commission (SEC) has allows non-U.S. companies to prepare their financial statements in accordance with IFRS (SEC, 2007).

To meet the international accounting standard by developing countries, Nigeria through the Federal Government has converse the impact of new development with all stakeholders in the country before it finally decided to adopt IFRS on a gradual basis. The then Minister of Commerce and Industry disclosed on September 2010, that new accounting standards, the International Financial Reporting Standards (IFRS) would be adopted in 2012 (Ezeani & Rotimi, 2012; Edogbanya & Kamardin, 2014). The implementations in Nigeria were organized in three phases; in the first phase, public listed entities were mandated to prepare their financial statement in accordance with IFRS framework by 1st January, 2012. The second phase consists of public interest entities whose were required to adopt for statutory purposes by 1st January, 2013. Similarly, Small and Medium Enterprises (SMEs) as the third phase required to be implemented by 1st January, 2014 (Report of the committee on Road Map to the Adoption of IFRS in Nigeria, 2010).

Several researchers around the world have discussed different issues on the impact of IFRS adoption in different countries. In Spain for instance, Callao, Jarne and Lainez (2007) opined that companies required to mandatorily report consolidated accounting information in accordance with IFRS as of January 1, 2005, and found that the adoption of IFRS in the country at the same time with local accounting standards have adversely affected the local comparability.

Gassen and Sellhorn (2006) found that IFRS firms have more persistent, less predictable and more conditionally conservative earnings in Germany after the adoption of the standards. Christensen, Lee, Walker and Zeng (2015) reports that after the voluntary adoption of IFRS in German firms with incentive, accounting quality through multiple construct of earnings management, timely loss recognition and value relevance improved. Dimitropoulos, Asteriou, Kousenidis and Leventis, (2013) found that IFRS implementation in Greece was convincingly contributed to less less-earnings management, timely loss recognition and value relevance of accounting numbers compared to the local accounting standard.

2.2 Concept of Financial Reporting Quality

The Statement of Financial Accounting Concepts No. 8 (2010) reveals that the objective and general purpose of financial reporting "is to provide financial information about the reporting entity that is useful to existing and potential investors, lenders and other creditors in making decisions on entities resources". These decisions involve buying, selling or holding equity and debt instruments, and providing or settling loans and other forms of credit. The general purpose financial reports is a focal view for   most of the current and potential investors, creditors and other lenders for providing the financial information that they need in their decision making (Francis & Schipper, 1999). Similarly, financial reports do not disclose all the information that current and

International Financial Reporting Standards and Value Relevance of Financial Information: An Empirical Evaluation of Selected Nigerian Listed Companies

Auwalu Musa and Ibrahim Muhammad Tanimu

potential investors need. They must consider relevant information from other sources, such as economic conditions and expectations, industry and company outlooks.

According to Wells (2011), financial reports are based on estimates, judgments, and models rather than exact depictions. The conceptual accounting framework establishes the concepts that underlying those estimates, judgments and models. These concepts are the goal towards which the board of directors and preparers of financial reports to strive to fulfill. Perfect financial reporting is often doubtful to be achieved in full because that reporting takes time to understand, accept, and implement new ways of analyzing transactions and other events.

2.3 Value Relevance

The concept of value relevance in accounting is that the information provided by an accounting process should influence users' ability for meaningful decision making (Beisland, 2009; Bonham et al., 2009; Tracy, 2013). This concept is therefore turning round the content of the accounting information which can greatly impact on decision making. Users' are considered to have an increased level of relying with the financial information when it has ability of presenting value relevance. Precisely, relevance implies a situation that modifies substantial decision making process. To measure the company performance one has to examine the content of financial reports presented.

Value relevance is the relationship between accounting numbers and security market values (Barth, Beaver & Landsman, 1998). Value relevance investigates the relationship between a stock price and a set of accounting variables (Beaver, 2002). Scott (2003) claimed that accounting information is value relevant if it leads investors to rely with the information content in order to be relevant in making economic decision.

Value relevance is often used to measure accounting numbers association. Book value serves as one of a general proxy for value relevance of financial information which is expected normal future earnings for loss firms, and also as a proxy for abandonment options for loss firms that were likely to cease operations and liquidate (Kwon, 2009). Similarly, Francis and Schipper (1999) stated that financial statement information affects stock prices by capturing intrinsic share values toward which stock prices drift. Takacs (2012) opined that value relevance is seen as proof of the quality and usefulness of accounting numbers and as such, it can be interpreted as the usefulness of accounting data for decision making process of investors and its existence brings positive correlation between stock price and book values.

After the adoption of IFRS, empirical studies on the relationship between value relevance and financial reporting quality, exclusively to assess the quality of financial reporting are numerous. For instance, Francis et al., (2004) stated that value relevance is one of the essential attributes of financial reporting quality. According to Umoren and Enang (2015) states that value relevance is the ability of financial statement to contained information that clarifies the stock market measures. If the figures contained in the financial statement would guide investors in their stock pricing is said to be value relevance.

Martinez, Martinez and Lin (2014) conducts a study on IFRS disclosures in the transition period in Spain, where the aggregated numbers of accounting differences are disclosed, and the individual adjustments on book value of equity and earnings. Their findings reveals that no evidence of increased value relevance post IFRS adoption. Thus, investors consider the individual reconciliation adjustments to be more valuable and significant.

Maigoshi (2014) empirically evaluates the impact of mandatory adoption of IFRS on accounting quality in Nigeria. The study revealed that mandatory adoption of has significantly increased in the publicly quoted companies' with value relevance of financial information.

Auwalu Musa and Ibrahim Muhammad Tanimu

Aliabadi, Dorestani and Balsara, (2013) defines accounting numbers as value relevant if the numbers has predictive relationship with the equity values, and if the financial statements are capable of making a difference in valuing the firm performance by users', such accounting figures is said to be relevant. Quality financial reports have the ability to capture company's value relevance. If the information presented captured and summarizes company's true picture it said to have quality financial statement (Kargin, 2013).

Bilgic and Ibis (2013) reports that financial statements users evaluate the content of value relevance from the information discloses to make their decisions. They justify their narration by determining the value relevance of financial statement information in Turkish stock markets during the period of 1997-2011. They reported that explanatory powers of book values are greater than that of earnings prior new reporting standard. After the adoption of new reporting standards, value relevance of earnings and book values significantly increase which result from an increase in the value relevance of book value. The result justify that investors consider the value relevance of financial statement information to provide risk capital after the new accounting standards.

3. Research Methodology

The study adopts descriptive research design were one hundred and seventeen (117) companies quoted on the Nigerian stock exchange as of December 2016 have been considered as sample size. The sectors were selected due to inadequate research on the relationship between IFRS and financial reporting quality among firms listed on Nigerian stock exchange, specifically with respect to value relevance of financial information. 77 companies were randomly selected from the target population. These represent all the industries except financial industry, as their structure and accounting practices are largely differed.

Table 1: Sample Composition of Industry

Industry Description	No. of Firms Selected
Agriculture	3
Construction / Real Estate	7
Consumer Goods	11
Healthcare	4
Industrial	4
Information and Communication Technology	11
Natural Resource	7
Oil and Gas	8
Services	12
Utilities	4
Conglomerates	6
Total	77

Source: Nigerian Stock Exchange

The data were essentially secondary data, collected from UUM Data-stream. These were being gathered from the annual reports and accounts of the sampled companies on Nigerian stock exchange. The data of interest are

International Financial Reporting Standards and Value Relevance of Financial Information: An Empirical Evaluation of Selected Nigerian Listed Companies

Auwalu Musa and Ibrahim Muhammad Tanimu

from the component of accounting information disclosures, which are obtainable from the income statements and the balance sheet components of the financial statement.

A regression analysis was carried out with the aid of SPSS version 20 to determine the value of coefficient of determination (r^2) of each of the variables. This has been in consistent with several studies in evaluating the value relevance of accounting information (see: Adeuja, 2015; Maigoshi, 2014; Shehzad & Ismail, 2014; Siyanbola, 2014; Babalola, 2012). Though, book value of equity and net income were regressed against stock price of the sample industries in Nigeria.

The models for regression are:

$SP_{ut} = \beta_0 + \beta_1 BVE_{ut} + \varepsilon_{ut}$-- (i)

$SP_{ut} = \beta_0 + \beta_1 NI_{ut} + \varepsilon_{ut}$-- (ii)

Where SP is the Stock Price, BVE is the Book Value of Equity, NI is the Net Income, U is the sample of firm, β is the intercept or regression constant, t is the time series, ε is the Error term.

3.1 Ratios Definition

Stock Price (SP) = Market Price per Share at the closing date, Book Value of Equity (BVE) = Book Value of Equity to No. of Ordinary shares issued captured from 2016 companies' annual report and account at the closing date, Net Income (NI) = Total Revenue - Total Expenses. The regression models were used on deflated stocks. Easton and Sommers, (2003) suggested that deflation by outstanding shares minimizes the independent variable coefficient bias which is usually influence by large firms. All variables are deflated by the number of outstanding stocks of firms at the end of financial year as adopted by Mohammed and Lode (2015), Kanagaretnam, Mathieu, and Shehata, (2009).

4. Result and Discussion

4.1 Descriptive Statistics of Book Value of Equity and Net Income on Stock Price

Table 2: Descriptive Statistics

Variables	Obs	Mean	Std. Dev.	Min	Max
SP (NGN)	77	2.1010	1.0485	0.0246	3.9376
BVE (Log)	77	3.8592	1.4414	1.0868	7.2682
NI (NGN)	77	1.2609	1.2309	2.9136	4.7483

The descriptive statistics in Table 2 presents value relevance data of stock price, book value and net income, which had been measured in Nigerian Naira (NGN). The mean value of stock price were (NGN218/\$1) is 2.1010 with a minimum price of 0.0246 and maximum price of 3.9376 with the overall standard deviation of 1.0485 from the sample of 77 companies listed in Nigerian Stock Exchange (NSE). In addition, the minimum book value of equity was 1.0868 and the maximum of 7.2682, while the mean value and standard deviation were 3.8592 and 1.4414 respectively. The descriptive statistics of sample companies further showed that the mean value for net income is 1.2609 with the minimum of 2.9136 and the maximum of 4.7483, while the standard deviation for the net income was 1.2309 in Nigerian Naira.

International Financial Reporting Standards and Value Relevance of Financial Information: An Empirical Evaluation of Selected Nigerian Listed Companies

Auwalu Musa and Ibrahim Muhammad Tanimu

4.2 Regression Analysis

The equations were used to test the hypothesis which represents the value relevance of financial information using the stock price based on Ohlson (1995) price model.

$SPut=\beta 0 + \beta 1BVEut + Ɛut$----------------------------- (i)

$SPut=\beta 0 + \beta 2NIut + Ɛut$----------------------------- (ii)

Table 3: Multiple Regression Analysis for Value Relevance Model

Standardized Coefficients

Variables	Beta	p	Sig.
(Constant)		3.797	0.000
BVE	0.188	2.677	0.009**
NI	0.541	3.535	0.000**

**Significant at 0.01 (2-tailed)

The regression results presented in Table 3 shows a significant positive relationship between stock price, which represents the dependent variable in the model, and book value of equity at 1% significant level. In addition, the results had reports a beta co-efficient of 0.188 and a p-value (sig.) at 0.009. The p-value of 0.009 was at <0.01 significance (2-tailed). This shows a significant positive relationship between the stock price and book value of equity after the adoption of IFRS. The result further indicates that 0.188 increases in book value lead to 2.677 increases in stock price as given in standardized coefficient beta value which shows that the relationship is positive and significant at the 1% level. The results are consistent with Iatridis and Rouvolis (2010) which found that book value of equity was significantly positive in Greece firms after the official adoption of IFRS period. Similarly, several studies document positive relationship between book value of equity and stock price (Such as: Umeron & Enang, 2015; Agostino, Drago & Silipo, 2011; Chalmers et al. 2011; Karunarathne & Rajapakse, 2010) which they found positive increase in book value of equity on stock price after the adoption of IFRS. Similarly, the results further demonstrate that net income and stock price was positive and significantly associated at the 1% significant level, where stock price is the dependent variable in measuring value relevance. The result shows a beta coefficient of 0.541 and a p-value (sig.) was at 0.000. The p-value (sig.) 0.000 was at <0.01 significance (2-tailed). This result shows that an increase of 0.541 in net income contributes to 3.535 increases in stock price on sampled companies after the adoption of IFRS. Similar studies findings are (Chalmers et al. 2011; Iatridis & Rouvolis, 2010; Callao et al., 2007). Hence the result shows that book value and net income are positive and significantly contributed to stock price.

4.3 Findings of the Research

The value relevance of financial information has been examined based on the coefficient of determination (R2) which is consistent with several studies in evaluating the value relevance of accounting numbers. The assessment shows that stock price has a significant positive relationship at 0.000 significant levels. Similarly, accounting proxy i.e. book value of equity presents a beta co-efficient of 0.188 and a p-value of 2.677 at 0.009 sig. This shows a significant positive relationship between the stock price and book value of equity. Meaning

International Financial Reporting Standards and Value Relevance of Financial Information: An Empirical Evaluation of Selected Nigerian Listed Companies

Auwalu Musa and Ibrahim Muhammad Tanimu

book value is able to explain about 98% of the systematic variation in stock prices after the adoption of IFRS. Likewise, other accounting proxy i.e. net income shows a beta coefficient of 0.541 and a p-value of 3.535 at 0.000 sig. This indicates that an increase of 0.541 in net income contributes to 3.535 increases in stock price on sampled companies after the adoption of IFRS.

Accordingly, considering the analyses result, the positive association between book value of equity and net income on stock price lead to value relevance of financial information. Meaning that book value of equity and net income are multiples and incremental explanatory power of value relevance of financial information across the selected sampled companies after IFRS adoption in Nigeria. This finding is consistent with the study of (Umeron & Enang, 2015; Agostino, Drago & Silipo, 2011; Chalmers et al. 2011; Karunarathne & Rajapakse, 2010). This suggests that the market participants (both current and potential investors) may convince to increase their investment hence the company's stock price is significantly associated with book value of equity and net income.

5. Conclusion and Recommendation

The value relevance of accounting information as one of the qualitative characteristic of financial information stated by IFRS was assessed by applying accounting proxies of price model (BVE and NI on SP). This study being relative study on value relevance of financial information on 77 sampled companies listed in Nigerian stock exchange for the year 2016 from all sector except financial sector. The study found that the financial information disclosed by the sample companies in these sectors are value relevant, and can therefore influence the stock price of that companies.

In view of the aforementioned findings and conclusion, the study recommends that, Nigerian Stock Exchange should ensure that all listed companies are comply with the accounting framework issued by IFRS, in order to have full disclosure of their financial information. Considering the number of sampled companies were only seventy seven companies disclosed the information required by this study. These would attract and influence potential investors to have confidence on earnings than book value in making economic decisions to invest in this sample companies. The study further recommends that appropriate measures needs to be taking to ensure that companies are listed on stock exchange in order to have comparable accounting standards across the world to attract more Foreign Direct Investment (FDI), which in turn would increases government revenue.

References

Adeuja, Y. O. (2015). A Comparative Approach to the Impact of IFRS (International Financial Reporting Standards) on the Performance of Banks in Nigeria. *Thesis for the degree of Master of Science in Banking and Finance, Institute of Graduate Studies and Research, Eastern Mediterranean University , Gazimağusa, North Cyprus.*

Agostino, M., Drago, D., & Silipo, D. B. (2011). The Value Relevance of IFRS in the European Banking Industry. *Review of quantitative finance and accounting*, *36*(3), 437-457.

Aliabadi, S., Dorestani, A., & Balsara, N. (2013). The Most Value Relevant Accounting Performance Measure by Industry. *Journal of Accounting and Finance, 13(1), 22-34.*

Aruwa, S.A. S. and Naburgi, M. M. (2015). Value Relevance of Accounting Information and Share Prices in the Nigerian Banking and Manufacturing Sectors: A Comparative Analysis

Babalola, Y. A. (2012). Significance of Accounting Information on Corporate Values of Firms in Nigeria. *Research Journal in Organizational Psychology & Educational Studies, 1*(2), 105-113.

International Financial Reporting Standards and Value Relevance of Financial Information: An Empirical Evaluation of Selected Nigerian Listed Companies

Auwalu Musa and Ibrahim Muhammad Tanimu

Bala, M. (2013). Effects of IFRS Adoption on the Financial Reports of Nigerian Listed Entities: The Case of Oil and Gas Companies. *The Macro theme Review 2 (7)*, 9-26.

Barth, M. E., Beaver, W. H., & Landsman, W. R. (2001). The Relevance of the Value Relevance Literature for Financial Accounting Standard Setting: Another View. *Journal of Accounting and Economics*, *31(1), 77-104.*

Bilgic, F. A. & İbis, C. (2013). Effects of New Financial Reporting Standards on Value Relevance: A Study about Turkish Stock Markets. *International Journal of Economics and Finance, 5(10), 126-140.*

Bonham, M., Richard, C., Curtis, M., Davies, M., Dekker, P., Denton, T., & Williams, T. (2009). International GAAP 2009 under International Financial Reporting Standards. *Chichester: John Wiley & Sons.*

Brown, S., Lo, K., & Lys, T. (1999). Use of R-square in Accounting Research: Measuring Changes in Value Relevance over the Last Four Decades. *Journal of Accounting and Economics*, *28(2), 83-115.*

Callao, S., Jarne, J. I., & Lainez, 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, 148-178.*

Callao, S., Jarne, J. I., & Lainez, 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, 148-178.*

Chalmers, K., Clinch, G., & Godfrey, J. M. (2011). Changes in Value Relevance of Accounting Information upon IFRS Adoption: Evidence from Australia. *Australian Journal of Management*, *36*(2), 151-173.

Chen, H., Tang, Q., Jiang, Y., & Lin, Z. (2010). The Role of International Financial Reporting Standards in Accounting Quality: Evidence from the European 79 Union. *Journal of International Financial Management & Accounting*, *21*(3), 220-278.

Christensen, H. B., Lee, E., Walker, M. & Zeng, C. (2015). Incentives or Standards: What Determines Accounting Quality Changes around IFRS Adoption? *European Accounting Review, 24(1), 31-61.*

Cotter, J., Tarca, A., & Wee, M. (2012). IFRS Adoption and Analysts' Earnings Forecasts: Australian Evidence. *Accounting & Finance*, *52*(2), 395-419.

Dimitropoulos, P. E., Asteriou, D., Kousenidis, D. & Leventis, S. (2013). The impact of IFRS on accounting quality: Evidence from Greece. *Advances in Accounting, Incorporating Advances in International Accounting, 2, 108–123.*

Easton, P. D., & Sommers, G. A. (2003). Scale and the Scale Effect in Market-based Accounting Research. *Journal of Business Finance & Accounting*, *30*(1-2), 25-56.

Edogbanya, A., & Kamardin, H. (2014). Adoption of International Financial Reporting Standards in Nigeria: Concepts and Issues. *Journal of Advanced Management Science, 2*(1), 72-75.

Ezeani, N. S., & Rotimi, O. (2012). Adoption of International Financial Reporting Standards (IFRS) to Enhance Financial Reporting in Nigeria Universities. *Arabian Journal of Business and Management Review,2 (3), 71-85.*

Francis, J. & Schipper, K. (1999). Have Financial Statements Lost Their Relevance? *Journal of Accounting Research, 37(2), 319-352.*

Gassen, J., & Sellhorn, T. (2006). Applying IFRS in Germany: Determinants and Consequences. *(July 2006).*

Hung, M. & Subramanyam, K.R. (2007). Financial Statement Effects of Adopting International Accounting Standards: The Case of Germany. *Review of Accounting Studies, 12(4), 623-657.*

International Financial Reporting Standards and Value Relevance of Financial Information: An Empirical Evaluation of Selected Nigerian Listed Companies

Auwalu Musa and Ibrahim Muhammad Tanimu

IASB (2008). Exposure Draft on an Improved Conceptual Framework for Financial Reporting: The Objective of Financial Reporting and Qualitative Characteristics of Decision-useful Financial Reporting Information. London.

Iatridis, G. & Rouvolis, S. (2010). The Post-adoption Effects of the Implementation of International Financial Reporting Standards in Greece. *Journal of International Accounting, Auditing and Taxation, 19, 55-65.*

Jacob, R. A., & Madu, C. N. (2009). International Financial Reporting Standards: An Indicator of High Quality? *International Journal of Quality & Reliability Management*, *26*(7), 712-722.

Kaiser, J., Schmid, D., Sheward, D., & Bennett, E. (2014). IFRS in the US: The Importance of Being Financially Bilingual.

Kanagaretnam, K., Mathieu, R., & Shehata, M. (2009). Usefulness of Comprehensive Income Reporting in Canada. *Journal of Accounting and Public Policy*, *28*(4), 349-365.

Kargin, S. (2013). The Impact of IFRS on the Value Relevance of Accounting Information: Evidence from Turkish Firms. *International Journal of Economics and Finance*, *5*(4), 71.

Karunarathna, W. V. A. D., & Rajapakse, R. M. D. A. P. (2010). The Value Relevance of Financial Statements Information: With Special Reference to the Listed Companies in Colombo Stock Exchange.

Kwon, G. J. (2009). The Value Relevance of Earnings and Book Value Using an Option- Style Equity Valuation Model: Evidence from Korea. *International Journal of Business and Management*, *4*(12), 19-41.

Madawaki, A. (2012). Adoption of International Financial Reporting Standards in Developing Countries: The case of Nigeria. *International Journal of Business and Management*, *7*(3), 152.

Maigoshi, Z. S. (2014). The Impact of Mandatory Adoption of International Financial Reporting Standard on Accounting Quality in Nigeria. *Masters Project Paper, Othman Yeop Abdullah Graduate School of Business, Universiti Utara Malaysia.*

Martinez, J. A., Martinez, D. A. & Lin, H. (2014). The Value Relevance of Accounting Numbers under International Financial Reporting Standards. *Australian Accounting Review, 24(3), 237-254.*

Mohammed, Y. A., & Lode, N. A. (2015b). The Value Relevance of Accounting Disclosures among Nigerian Financial Institutions after the IFRS Adoption. *Mediterranean Journal of Social Sciences*, *6*(1), 409.

Palea, B. (2013). IAS/IFRS and financial reporting quality: Lessons from the European Experience. *China Journal of Accounting and Research, 6, 247-263.*

Scott, W. R. (2015). Financial Accounting Theory. *Seventh Edition.* Pearson Canada.

Siyanbola, A. A. (2014). The Value Relevance of Accounting Information: A Study of Stock Price and Returns of Listed Deposit Money Banks in Nigeria. *Masters Dissertation, School of Post Graduate, Bayero University Kano.*

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

Terzi, S., Oktem, R., & Sen, I. K. (2013). Impact of Adopting International Financial Reporting Standards: Empirical Evidence from Turkey. *International Business Research*, *6*(4), 55.

Tracy, J. A. (2013). Accounting for Dummies (5th ed.). *New Jersey: John Wiley and Sons*

Umoru, H. and S. Ismail.(2010). Nigeria to Adopt International Financial Reporting Standards. *Vanguard 6th September p.26.*

Wells, M. J. (2011). Framework-based Approach to Teaching Principle-based Accounting Standards. *Accounting Education*, *20*(4), 303-316.

International Financial Reporting Standards and Value Relevance of Financial Information: An Empirical Evaluation of Selected Nigerian Listed Companies

Auwalu Musa and Ibrahim Muhammad Tanimu

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.

Copyrights

International Financial Reporting Standards and Value Relevance of Financial Information: An Empirical Evaluation of Selected Nigerian Listed Companies

11