IMPACT OF FINANCIAL ACCOUNTING REPORTING ON THE CORPORATE PERFORMANCE OF A BUSINESS ORGANIZATION

(A CASE STUDY OF SELECTED COMPANIES IN KWARA STATE)

BY

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CERTIFICATION

This is to certify that this project work has been written by YUSUF AMINAT JUMAI with Matriculation No: HND/23/ACC/FT/0109 and has been read and approved as meeting parts of the requirement for the award of higher National Diploma (HND) in the Department of Accountancy, Institute of Finance and Management Studies, Kwara State Polytechnic, Ilorin, Kwara State.

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DEDICATION

This project is dedicated to God

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All praises go to Almighty God for his protection, grace, good health and knowledge over me which I use to start and complete this project. Therefore, I say may all glory, honour, praises, adoration and thanks be ascribed to the Almighty.I am very grateful to my supervisor Mr. SA'AD Tunde for his thorough checking and correction throughout my project writing. I also appreciate the amiable Head of Department (HOD), my project coordinator; and all other lecturers and staff of Accountancy Department, Kwara State Polytechnic, Ilorin for their positive impacts and contributions.I also recognized the moral support of my parent Mr. and Mrs. Yusuf for their supports. May almighty God grant them good health and they shall eat the fruit of their labour (Amen).I cannot forget my big sister ummu Hamzah They have always been there for me through tough times. They are more than friends to me, I really appreciate your effort both financially and morally Almighty God will continue to bless you abundantly.I would like to thank all my lovely friends understanding and support in one way or the other my lovely zauj Abu Aaishah for his cooperation and understanding. I love you all.

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND TO THE STUDY

The impact of financial reporting on the corporate performance of a business organization is becoming more apparent to user groups of a financial statement. Accounting is a not an exact science neither are business operations without some subjective and judgmental errors when it comes to reporting them. A financial reporting therefore is a document statement which informs the various interest groups to a business on the operations and performance of their business in a period under review its present state of affairs as well as its anticipated future, in accordance with the statutes. If a financial report is to service its purpose it ought to be characterized by the following:

Relevance

Understandability

Reliability

Completeness

Objectivity

Timeliness

In the accounting process of an organization is to provide the information required to prepare a financial report which shall have the above characteristics then the transaction doing the period must be recorded prompt by and accurately and interpreted in conformity with the Generally Accepted Accounting Principles (GAAP), Statements of

Accounting Standard Board (NASB), International Accounting Standard committee and the companies and Allied Matters Act cop LFN (CAMA).

Financial accounting reporting become necessary with the obvious need for accountability of stewardship from the managers to whom investors entrusted their financial resources. The Railway age in the UK occurred between 1830 to 1870 and for the first time the world same the emergence of multimillion corporations with large numbers of shareholders. It was a period of disorder but it brought the basis for the present day system of corporate financial report. Financial reporting is a duty of stewardship assigned to the directors of a company by section 334 of the company and Allied Matters Act Cap L20 LFN, equally the mandatory responsibility of companies to keep accounting records derives its strength from section 331 and 382 of the same act. These sections explicitly defined the necessary content and manner in which financial records should be kept.

1.2 STATEMENT OF THE PROBLEM

The study "The impact of Financial Reporting on the corporate performance of business organization" aims at investigating the financial reports of selected companies in kwara State with a view to determine the following;

The extent to which a standard financial report contributes to or detracts from the growth of a business organization. The extent to which the financial reports of corporate business organization comply with statutory provisions. The uniformity and conflict which exist in the financial reporting regulations given the multiplicity of regulators. Therefore, bused on the above statements, the researcher shall investigate the financial accounting reporting standards and every regulation their bear on the financial statement and to the extent the selected company (s) has either complied with or disobeyed the relevant statutes.

1.3 RESEARCH QUESTIONS

In order to determine the impact of financial reporting on the corporate performance of business organizations, it is pertinent to test the following question;

- Does the information disclosed in the financial statements adequate to support good decision making?
- Does the disclosure requirement of the statutes affect corporate performance positively or negatively?
- Is there any significant influence in the financial accounting reporting and corporate performance?
- Could financial accounting reporting predict the successfulness of a business organization?

1.4 OBJECTIVES OF THE STUDY

The objectives of this study are to critically examine the financial reports of the selected company and to probe into the fundamental for their preparation as well as its presentation with a view to determining:

The adequacy of the basis and the fundamental that guides its preparation

The degree to which the financial report meets the needs of its various users.

The extent to which the financial report conform to the established standard.

The influence that financial report has on business performance.

Finally, to present suggestions and recommendations based on my findings.

1.5 RESEARCH HYPOTHESES

The following null and alternative hypothesis shall be tested in this research works:

H_0: The information provided in financial statements is not adequate to support good decision making.

H_i: The information provided in financial statements is not adequate to support good decision making.

H_0: The disclosure requirements of statements do not affect corporate performance positively

H_i: the disclosure requirements of statements do not affect corporate performance positively

H_0: Is there any significant influence in the financial accounting reporting and corporate performance

H_0: Could financial accounting reporting predict the successfulness of a business organization

1.6 SCOPE OF THE STUDY

This study covers impact of financial accounting reporting on the corporate performancof a business organization (a case study of selected companies in Kwara State. All analysis, interpretation and generalization would only cover the area of research.

1.7 LIMITATION OF THE STUDY

The limitations encountered by the researcher of this work are given as follows:

The confidential nature of financial accounting information in the business organization posed as a problem to this business organization posed as a problem to this study.

The researcher was unable to reach all the members of the sample as a result of their frequent travels and busy schedule.

The sample used in the research though representative but it is relatively small compared to the population, as a result of lack of financial with which to carry out the research on a greater sample.

1.8 SIGNIFICANCE OF THE STUDY

This study is a very important one and most significant at this period of economic situation which has witnessed the collapse of giant corporate with impressive profit and loss accounts and balance sheet statement, because the financial report serves is a "prima facie" evidence on the state of attains of such companies as well as its performance and could be relied upon as a certificate because it had the auditors certification, financial reporting could be done with every ser business, utmost good faith and diligence.

1.9 DEFINITION OF THE STUDY

Auditor: a person who is qualified to examine the accounts of an organization to see that they are in order.

Balance Sheet: a business as at a specified date.

Bank: a financial institution whose responsibilities among others is to keep deposits for their client and customers.

Government: an institution of the state whose responsibility is to maintain law and order in the society.

Prima facie: sufficient to establish something legally until disprove later.

Researcher: an enquiring basically concerned with search knowledge.

CHAPTER TWO

LITERATURE REVIEW

2.1 CONCEPTUAL FRAMEWORK

In recent years, as part of the economic reforms in Nigeria, there has been a switch of emphasis from the grandose capital intensive, large scale industrial projects to small/medium scale enterprises with immense potentials for developing domestic capacity for rapid substantial industrial development (Dasanyaka, 2009) determine the scale of operations and structure of small or medium indicators are independent management (independent of any other party, except from the owners) mostly dominated by the sole proprietorship, partnership and private limited company. But Nigerians favour "one man" business for lack of trust. Most small and medium scale enterprises are located in the interiors of the nation. Flexibility of administration is another important feature of small/medium scale enterprises this has greatly enhanced their productivity and profitability because administrative bottlenecks are totally absent. Adaptability to customers' needs enhances competitiveness (Olatunji, 2000, Aremu and Adeyemi, 2011). Other considerations include organizational manpower, limit on capital investment, annual turnover, management structure as well as the assessment of size of particular enterprises (Olatunji, 1995, Safiriyu, 2012) explains the relatively of such descriptions. Section 35(1) of CAMA 1990 describes the small company as private company having a share capital, the amount of its turnover for the year in question should be a maximum of #2million or such amount as may be fixed by the commission the next assets value is not more than #1million. None of its members is alin government or a government corporation; the director should hold atleast 5% of its equity share capital. The national economic reconstruction fund (1989) defined small scale enterprises as those with fixed asst other than land but inclusive of the cost new investment not exceeding a #1million. The Central Bank of Nigeria (2004) defines a small scale enterprises as on whose capital investment does not exceeding #5million (including land and working capital) or whose turnover is not more than #25 million annually.

In the bid to increase its share of ward's industrial production (about 25%) by the year 2025 and about 40% by the year 2010 as recent world industrial production statistics shows developing economies are increasingly focusing small and medium scale business (Okarfor, 1999, Akwase, 1987) the united nation industrial developing organization (UNIDO, 1980). It has been discovered that lots of small and medium scale entrepreneurs shutdown before they can achieve their goals as a results of poor management arising from inadequate weak and undependable accounting and financial information (Olatunji, 2000, Safiriyu, 2012) .

According to Ademola et al (2012), record keeping is essential to business management. Record keeping involves identification, classification, storage and protection receipt and transmission, retention and disposal of records for preparation of financial statements. It also included that in record keeping, policies, systems produces operation and personnel are required to administer the record. Record keeping plays a key role in management of knowledge necessary for good business performance. Modern organizations are concerned with the captures, use and storage of knowledge.

Loughlin and Gray (1999) pointed out the following as the most important reasons to setup a good record management:

- To control the creation and growth of records to reduce operating cost
- To improve efficiency and productivity
- To stimulate new records management technologies and
- To ensure regulatory compliance

Accounting record includes entries from day today transaction of business for instance transactions in respect to receipts and expenditure. Records may include a list of organizational assets and liabilities. These help the enterprise to evaluate their performance in a particular period of time usually at the end of a financial period.

Proper record keeping provides evidence of how the transaction was handled and substantiates the steps that were taken in order to comply with business standards. Records keeping is the foundation on which a compliance program should be built upon measures should be put in place to capture the documentation and events that take place throughout a transaction commencing from delivery and payment (Reed, 2010).

Record keeping cycle involves a process that is followed by accountants and bookkeeping staff in processing raw financial data into output information inform of financial statements. The process ranges from creation of business transactions, analyse and record the transaction in journals by account name, p ost information balance, journalize adjusting entries, post adjustments balance, journalize closing entries, post adjustments from the journal to the ledger, prepare an adjusted trial balance journalize closing entries, post closing entries from the journal to the ledger, prepare a post closing trial balance and prepare the financial statements (William et al, 2008). They specified further that objectives of record keeping include the following;

- To permit a quick comparison of current data with prior years' operating results and budgetary goals
- To offer financial statement for use by management bankers and prospective creditors
- To facilitate the prompt filling or reports and tax returns to regulatory and tax collecting government agencies
- To reveal employees fraud, theft, waste and record keeping errors
- To allow for fast. Accurate and reliable access to records, ensuring the timely destruction of redundant information and the identification and protection of vital and historically important records.

It is necessary when a firm is selecting fund from a bank for expansion

The benefits of record keeping cannot be overemphasized. Record keeping has become the foundation on which the totality of modern business depends. This is because without it, it will be impossible to ascertain the level of profitability and the level of business susceptibility to fraud. Record keeping and good record management is also essential for any corporate body to function effectively (Ademola et al, 2012). According to Convin and Selvin (2008), if the records are kept over a period of time, they give background picture which can help organaizational change. Continuing, they said it not only accounting records that must be kept. In fact personal records enable an accurate evaluation of personnel to aid administration of job selection. According to Ademola et al 2012, the specific benefits of record keeping include the following:

- It helps to avoid business failure
- It is useful for financial management planning and control
- It helps to make sound decisions
- It gives background picture which helps organizational change
- It is critical to business survival

Accounting records are important as they are sources of information and thus they must be numbered and stored properly for the purpose of record retrieval. Cane (1997) defined record as storage as the housing of records when whether semi-active or inactive must still be retained. He also pointed out that records should be stored in a well built record centre, the archives, commercial storage and the basement

Reed (2010) defined record retrieval as a system of removing records from their storage places. He stated that file arrangement should support the retrieval of records by either arranging them numerically or alphabetically so as to ease retrieval. Cane (1997) further explained that retrieval should be done by authorized personnel in a record centre. He explained that accounting record documents should be arranged to ensure that files containing restricted information are accessible only to authorized personnel and officials.

Best practices for successful record retention program should include training and education, check lists to ensure inclusion of all required documentation prior to closing a file, paying attention to detail documenting pertinent information relative to the transaction providing and obtaining instructions in writing, records maintained in an organized manner and stored in a designed area and written standard operating procedures addressing record retention (Reed, 2010).

According to Eric and Gabriel (2012), the single entry system is an "informal" accounting or bookkeeping system where a user of this system makes only one entry to enter a business financial transaction. It generally includes daily summary of cash receipts and a monthly record of receipts and disbursements (worksheets). A cheque book, according to them is a single entry bookkeeping system where one entry is made for each deposit or cheque written. Receipts are entered as a deposit and a source of revenue. Cheques and withdrawals are entered as expenses if manual system is used, in order to determine the revenues and expenses, worksheets to summarize the income and expenses in different categories are to be prepared. Bookkeeping software and spreadsheets are also available to do this. The emphasis of the system is place on determining the profit or loss of a business. It get its name because transactions are either recorded as revenue (deposit) or expense (withdrawal). Since each entry is recorded only once, debits and credits recording method required for the double entry system are not used to record a financial event. While the single entry system may be acceptable for tax purpose, it does not provide a business with all the financial information needed to adequately report the financial affairs of a business.

According to Barbara (2010), this system uses cash receipts journal and a cash disbursements journals. It records the flow of income and expenses and is practical for a small business just starting out. The cash receipt journal records all the cash received. It has columns for various categories of receipt with a line for each receipt including data, source of cash and total amount. The column categories may be departments or types of merchandize, types of service or whatever classifications make sense for business, the cash disbursement journals records the money spent, it has columns for various categories of expenditures which include date, check numbers, payee, description of expenses and trial amount. The column categories may be merchandize for resale suppliers, interest, rent salaries or whatever classifications make sense in the business. The choice of column categories in both journals is critical to future analysis. All columns in both journal should be totaled each month with year to date totals after each month.

According to Gupta (2008), a computer is a programmable machine that responds to a specific set of instructions in a well defined manner and can execute a pre-recorded list of instructions. The introduction of CAS has led to simplicity, speed and precision in the way in which accounting information are captured for the running of business organizations. The use of CAS has revolution arise the practice of accounting and has led to the creation of new types of accounting applications for business (Burduck, 2000). Many SMEs now like to track their financial transactions with computerized software rather than to rely on a manual system of bookkeeping recording entries in large books. One of the benefits of computerized accounting software is that firms can now use it to coordinate all business operations including creditors and debtors to the firm. It also enhances decision making. CAS is quick in carrying out routine transactions, in analysis and accuracy and reporting (Amanamah et al., 2016).

According to Machera & Machera (2017), the benefits of using accounting software include:

- Stock reconciliation becomes easy
- Maintenance of assets register will be easy
- Financial ratio and graphs are made possible
- Provision of financial intelligence for the business
- Cloud accounting is possible
- Speedy processing of transactions
- Enhances completeness and accuracy

Sam, Hashino & Tahir, (2012), observed that small business tend to suffer resource poverty in terms of financial capacity, available time and IT skilled staff to facilitate the adoption of CAS.

A good accounting system should give an accurate and comprehensive results of operations, which allow quick comparison between current and previous data, offers the financial statements to be used by prospective creditors, bankers and management, facilitate filling reports and tax returns to government regulatory agencies and tax collecting and disclosing record keeping error, waste, theft and employee misconduct (Longenecker et al., 2006). Ekwere (2005) asserted that the success of a business depends to a reasonable extent on the accuracy of records keeping.

According to Maseko & Manyani (2011), accounting systems grant a basis of information to SMEs owners and managers operating in any industry for the use of measurement of financial performance good recordkeeping enables business firms to plan properly and also to curtail misappropriations of resource (Mwebesa et al., 2018). Muchira (2012) observed that keeping good financial records can positively influence management decisions of business owners or managers. The most important information to an entrepreneur comers from the accounting information. The accounting information is like the score card of an enterprise.

They are indicators of growth potentials, earning ability, liquidity and stability (Ibrahim, 2015). According to Nkwor & Nkwor (2015) an efficient and effective record keeping is important to any organization as it affords a measurement and communication mechanism which can help in improving the quality of decisions and actions which affect the way the scarce resources of an organization is put into use. According to Onaolapo and Adegbite (2014), the difference in financial performance of SMEs can to a reasonable extent be explained by the level of accounting record keeping.

Accounting has been described as t he process of identifying, measuring and communicating economic information to permit informed judgments and decision by the users of the information. It is characterized as the language of business. Niswonger and Fees (1969) several concepts, theories and principles under grid the practice of accounting. Prominent among them are consistency, accuracy, business entity, money measurement, prudence and the double entry. (Rawat, 2004; Dyson, 2004). Accounting manifests in several way such as financial, cost, management and tax accounting system is an orderly efficient scheme for providing accurate information and control regulatory requirements and internal administration policies must be considered in designing an effective accounting system. Accounting system should show the books, records, vouchers and files and related supporting data resulting from the application of accounting process (Oyewole, 2008). It comprises of step, procedures, documentation and devices needed to implement a flow of transaction processing the non-existence or inadequacy of internal controls is an avenue for wastes, fraud and depreciation. The existence of sound system guarantees prompt action and customer satisfaction, thus increasing potentials for greater incomes and growth in real termed (Robert et al., 1998) state that measuring a company's finances performance and final position requires establishing a distinct accounting period (Warson, 1981; Shukla et al, 2006).

The mechanics of the conversion involve the preparation of a statement of affairs and estimation certain data for the updates of full set of ledgers and beneforth a complete double entry system is installed (pickles and Lafferty,m 1974) the challenge is amplified by the audit requirement for small companies accounting and financial management are carried out by just one person, making segregation of duties impracticable or irrelevant of the owners in the management of the business and to extent of their integrity. This calls for an adaptation of accounting system to need of those businesses a(Abeygunaskeral and Fonseka, 2013).

Series of discussion paper "conceptual framework of financial accounting"

Based on remarks received from various constitution regarding the necessity for developing a written conceptual framework as a basis for developing accounting standards in Japan, the accounting standard boards of Japan (Lereinafter called "the Board) organized a working group under its supervision which mainly consists of external academics and delegated the study of this issue to the working group. Some full-time board members and some staff also participated in the working groups and the working group held as many as 46 meetings under the guidance of the chairman. This series of discussion papers conceptual framework of financial accounting" (hereinafter called "these discussion papers") summarized the conclusions reached by the working group.

Consequently, the views provided in these discussion papers are not necessary those of the board but are those of the working group that were reported to the board. This discussion paper may eventually become accepted as the factors standards if their usefulness is confirmed in the process of developing standards in the future and if improvements are made reflect the opinions of constituencies. The working group experts the board to continue discussing these discussion papers with constituencies as necessary while observing how these discussion papers are accepted.

Although there are various possible alternative regarding the structure of the conceptual framework the structure of those discussion papers is basically in line with precedent conceptual frameworks issued overseas. Since conceptual framework issued by major accounting standard setters oversea are well known in Japan, using the same structure would facilitate to constituencies understanding of these discussion papers and enable these discussion papers to functions more efficiently. In addition, adopting the same standard setter overseas regarding international convergence (or international harmonization) of accounting standard.

2.2 THEORETICAL FRAMEWORK

DECISION USEFULNESS THEORY

Decision-useful information is the fundamental objective of financial reporting. The financial accounting standard Board's conceptual framework states that the purpose of financial reporting is to provide information that is useful for business decision (concepts statement No 1. FASB 1980, Paragraph 34).

According to Wang (2012), decision usefulness is defined in terms of relevance, reliability, comparability and understandability. Decision usefulness theory is adopted to satisfy the information needs of the users of accounts namely; investors and creditors. Wild (2008) and Fellinghan (2005) observed that accounting is viewed as the measuring activity that makes available financial reports in support of decision makers and their business decisions. Financial statement plays an important role to various users which mainly consist of the creditors, investors, employees, customers, government and their agencies in taking vital financial decision (Shagari, 2013). The usefulness of accounting information is based on such factors as timeliness, reliability, relevancy, 1966, Buys, 2008; Dzinkowski, 2010 and Soyinka et al., 2017). Single-person decision theory which is based on the view point of a person who must take a decision under conditions of uncertainty is the vital part of this study.

The theory gives room for additional information to be obtained by entities to revise a possible subjective assessment of decision makers of what might have happened after a decision is made. The theory is promoted by scholars that include Raifa (1968), Ijiri (1983), Solomon (1989); Stabus (1999); Cartney (2004); Godfrey et al., (2006); Scot (2009); and Dandigo & Hassan 2013.

The asymmetric information theory assumes that atleast one part to a transaction has relevant information whereas other do not. Asymmetric information model speaks about a deviation from perfect information. Akerlor (2019) opined the inequalities in access to information upset the normal market for the exchange of goods and services. It says that in some economic transactions, inequalities in access to information upset the normal market for the exchange of goods and services. This theory provides a theoretical explanation of the burden to disclose on the directors of the banks who are better placed in the corporate structure to know the banks better and therefore release the information they have to the investors that will use same decision making.

Ball, et al (2009) not that audited financial statements and voluntary disclosures are complementary mechanisms for managers to the communicate information. Gigler and Hemmer (1998) observe that reporting independently audited financial outcome plays a confirmatory role allowing shareholders to evaluate the informativenes and truthfulness of past discretionary disclosures. In turn, this allows manager to credibly disclose value relevant information, even if the information is not directly verifiable.

2.3 EMPIRICAL FRAMEWORK

Many studies have examined the equality of corporate information disclosures in various contexts. Example of such studies are; Owusu-Ansah (2018); Ho and Wong (2021) Josbi and Ramadhan (2002); such Chau and Gray (2002); Naser et al (2022) Naser and Nusechbeh (2003); Akhtaruddin (2023) and Ofoegbu and Okoye (2006). Each of these studies has been distinguished by differences in research setting differences in definition of the explanatory variables, differences in disclosure index construction and differences in statistical analysis, liquidity (2020) listed out the most popular characterisitics are corporate size profitability, liquidity, gearing, audt size, listing states multinational parent, age and ownership structure.

Each construct suggests that the quality of disclosure can be measured by an index representing the dependent variable. Over all, the findings regarding the compliance level of companies and the relationship between the level of disclosure and various attribute are mixed.

Cerf (as cited in Fremgen, 1963) pioneers the study on the relationship between extent of corporate disclosure and company attributes. He utilizes a random sample of 527 listed and unlisted corporate organizations for evidence of compliance with certain minimal standards of disclosure Cerf considers twelve explanatory variables for possible correlation with superiority of disclosure. The independent variables include profitability, asset size, method of trading shares, stock ownership, industry, frequency of external financing, stability of growth in earnings and dividends, product degree of completion, association with CPA firms and management characteristics. Only the first four of these variables are tested.

Superiority of disclosure is measured by an index of disclosure. This is constructed based on thirty one information items each weighted by importance. A percentage score is given to each company by dividing the number of points achieved by the total points possible for all items applicable to the company.

Cerf finds that there is a positive relation between disclosure and asset size, profitability and shareholder number. As for methods of trading shares he finds that New York stock exchange companies are significantly superior to others, while for reporting, no significant difference is seen. He also discovers that there is lack of disclosure of some techniques such as depreciation, inventories, recognition of income on long term contract and income tax allocation evidence also shows that specific items required by shareholders are not adequately disclosed. Among them are sales breakdown, research and development (current and planned), and information on management and their policies.

Cerf's (as cited in Ray, 1962) study is seen as very interesting but failed to test significance in statistical terms. The study does not consider some corporatons such as foreign corporations, banks, finance houses, insurance companies, real estate companies, public utilities and investment companies.

Barret (2021) examines the extent and equality of corporate financial disclosure in seven countries over a ten-year period from 1963 to 1972. The countries Germany are United, State, United Kingdom, Frances, Japan, Sweden, Netherland and West Germany. Based on the previous experiences of others that is singled and Buzby (1975) carried out in the united states. Barrett wants to know if the American reports are superior. Fifteen large companies in each country measured in terms of market capitalization are used as simple.

The result shows that there is only a little difference in the extent of disclosure of large British and American firms. He notes that British and American firms exhibit more annual report disclosure than the firms of the other five nationals. However, these two countries do not "lead the pack" in the extent and quality of disclosure across board. Such cases are in respect of segment reporting and disclosure of planned and current capital revenue for American companies. The result of this study indicates that the extent and quality of the disclosures in American Firms might be superior to others based on the size of samples.

To extend the general knowledge of the overall of disclosure to Sweeden companies, Cooke (1989) examines the annual reports of 90 firms to assess whether there is a significant relationship between some corporate attributes and the extent of disclosure. The study is defend from prior studies, firstly, because it relates to listed and unlisted on both the Swedish and at least one foreign stock exchange during the year 1985. Secondly, the disclosure items are constructed based on the entirety of the annual report not used a wide ranging approach similar to Wallance (2018) in his analysis of Nigerian corporate reports.

It was found that listing status and size are major explanatory variables for voluntary disclosure. In addition, firms categorized as trending disclosure more information than domestically listed companies.

Cookies (2022) goes further to examine the Japanese financial reporting on the premise that findings in one country may not be applicable to Japan because of its unique culture and business environment. He examined its unique culture and business environment. He examined the impact of size, stock market listing and industry type on both voluntary and mandatory disclosures in the annual reports to Japanese listed corporations. Size is considered using eight variables, V12, capital stock turnover, number of shareholders, total assets, current assets, shareholder's fund and bank borrowing. An extensive list of its information items (65% voluntary and 35% mandatory), included in these items are disclosure recommendations by International Accounting Standard Board (IASB) and other relevant laws and accounting standard.

He uses the same scoring technique as in Cooke (2019) and descriptive statistics reveals that mean scores for mandatory disclosure range from 88% to 100% while the voluntary disclosures range from 7% t0 41%. In conclusion, disclosure increases with size, industry type and multiple listings.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 AREA OF STUDY

The method used in the generation of ideas and collection of data for this research as well as the methods employed in the analysis of the data shall be discussed briefly in this chapter. The researcher employed various method and procedures to achieve the objectives of this research. The methods that were used in the collection and analysis of data are outlined together with how these methods led to the conclusion drawn with regards to the research question.

3.2 RESEARCH DESIGN

This section which could be referred to as either research design or research method is very critical to the entire research process. It is in this section that the research stamps his scientific status on the process. A research design therefore is a blue print or scheme that is used by the research for specific structure and strategy in investigating the relationship that exist among variables of the study so as to enable him or her collect the data which will be used for the study. Research designs are basically of four types, which are experimental, historical, survey and case study research design. For the purpose ofthis study, I adopted the case study approach in evaluating the impact of financial accounting on the corporate performance of business organizations.

3.3 SOURCES OF DATA

Both primary and secondary sources of data were adhered to on the course of this study and the attitude and responses of those interviewed were noted.

Primary Sources of Data: The primary sources of data are the sampling or study unit from which information is obtained on a first hand basis (Eboh, E.S.1998:68). It is very important to note here that the researcher did not adopt any rigid method in the collection of data; rather the data for the research were collected in response to the requirements of the research problem. Creativity and judgment also played a vital role at this stage of the project, bearing in mind that the final judgment will be partly constrained be the type and value of information collected.

The primary data were gathered from the following sources:

Oral Interview: personal interviews were conducted in addition to the questionnaires which were duly administered. The information obtained through the oral interview was use in cross-checking the responses to the questionnaire. It either affirmed or disproved the data collected

Unstructured Interviews: unstructured interviews were also collected out through informal discussions with various staff members at different levels of operations. This gave the researcher the opportunity to structure the questionnaire wordings in order to gain the understanding of the subjects and enabled him receive the more accurate and reliable information. This in no little way contributed the objectivity on the part of the respondents.

Actual field investigation: The researcher was privileged to see the annual reports in order to fully comprehend their performance as well as its reporting style.

Secondary Sources of Data

Library materials provided the bulk of the secondary research data collected by the researcher. These resource materials were used to review extensively the facts and the reporting components of Nigerian Breweries plc. For the purpose of obtaining these secondary data, the following academic libraries were used:

Central Bank of Nigeria

National Library, independence layout Kwara.

University of Ilorin Campus Library

In the summary these sets of data were gathered which includes:

Data from oral interview and library materials.

Data from the compilation of other related research work previously conducted

The Data Gathered Was Used At Three Different Stages As Follows:

In anticipation of these data the question on the questionnaires were designed in order to ensure that the respondents will confirm these data.

The data also formed the basis upon which the review of related literature was carried out. They also formed part of the analysis carried out in chapter four which led to conclusion which were later arrived at in chapter five.

3.4 METHOD OF DATA COLLECTION

Collection of data refers to the research instruments used by the researcher to collect whatever data needed. The research instruments used in this research include: questionnaires, interviews and library research. Questionnaires were employed by the researcher because it is most practical, economical and easiest way of obtaining information about events. They also helped in collecting information that are valid. Interview schedule was made use of by the researcher because of its usefulness in following up an unexpected result in order to validate other method or problem motivation of respondents and their reasons for responding the way they did. The primary gathered were effectively and extensively employed in the next chapter to test the formulated hypothesis.

3.5 DETERMINATION OF POPULATION SIZE

Whenever a researcher is planning to carry out a study, he or she must consider carefully those things that will constitute the object of his focus-those people or things constitute his study population simply put, a study population is the total of the critical analysis on aggregate of which is the total of the number of persons on objects for investigation. However, our population size for this stud constitute the staff members of Nigerian Breweries plc who are knowledgeable in the preparation of the financial reports of the company. The population is arrived at by a census of the population components. The study population is one hundred (100).

3.6 DETERMINATION OF SAMPLE SIZE

A sample is a representative subset of the population. The sample size is thus determined using the formula:

$$n = \frac{z^2 s^2}{e^2}$$

Where s = 1.96, z = 95%, e = 5% n = sample size to be determined

z = the confidence level desired

e = the sampling error permitted

s = the standard deviation of the population substituting the values into the formula, the sample size can be derived thus

$$n = \frac{(1-96)^2 (13)^2}{5^2} = 25.96$$

In order that sample adequately represents the population and to enable the research to draw a valid conclusion based on the sample studied, the non-random sampling method was used by the researcher, this enabled me to reach certain persons who had the knowledge about the subject matter.

3.7 METHOD OF DATA NANLYSIS

I translated the data collected into simple percentages. This was to enable an inferential statement to be made about any relationships. The formulated hypothesis were tested using chi-square (x^2) test statistics which measures the significance of the difference between the observed set of frequencies. The computations were done using the chi-square formula which is

$$X^2 = \sum \frac{(O-E)^2}{E}$$

Where E= observed frequency

O= Observed frequency

The research hypothesis earlier formulated in the chapter one were tested in chapter four for acceptance or rejection using the chi-square statistical technique. In using percentage and frequency distributions, a number of tables will be used in analyzing the responses of the questions asked and the percentage calculated and based on the total number of responses.

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION

4.1 DATA ANALYSIS

The data collected for this study were presented, analyzed from the questionnaires based on the responses received from the questionnaires which were computed and returned. A total of twenty-six copies were administered to the selected sample, but it was only twenty-three copies that were duty completed and retuned. The table below shows the summary of the distribution of the questionnaire and the number returned.

Table 4.1

Number of questionnaire issued and the percentage returned.

Respondents	Issued	Returned	Percentage (%)
Accountants	10	10	38.5
Auditors	5	5	19.2
Analysis	11	8	30.8
Total	26	23	88.5

Source: Researcher's Fieldwork, 2025

In the due process of presenting and analyzing the relating directly to the four hypothesis. The chi-square (X^2) test at the 5% level of significance of tolerable error or at a 95% confidence level. The testing procedure will follow the same decision rule that is to reflect the null hypothesis if the computed value is greater than the theoretical or critical value, otherwise the alternative hypothesis is accepted.

4.2 DATA ANALYSIS

In this section the researcher analyzed in a tabular form, the responses to the questionnaire as it relates to the impact of financial accounting reporting on the corporate performance of business organization. The questionnaire is divided into two section, section a contains socio-economic data.

SECTION A: BIO-DATA OF RESPONDENTS

Question 1: The question was optional for the respondents to state their manes since this was of no statistical value, no analysis was carried out on the question.

Question 2: The required the respondents to state their gender. This distribution by gender is presented on the frequency table as follows:

Table 4.2 Gender Frequency Distribution of Responses

Response	No of Respondents	Percentage (%)
Male	13	56.5
Female	10	43.5
Total	20	100.00

Source: Researcher's Fieldwork, 2025

From the table above it was found out that among the number of respondents, thirteen persons, representing fifty-six points five percent were make whereas forty three points five percent were female.

Question 3: The question required the respondents to state their academic qualifications.

Response	No of Respondents	Percentage (%)
HND	8	34.7

B.sc	15	65.3
Professional qualification	5	22.00
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It is observed that a total number of five persons had professional qualification in addition to the other qualifications obtained. This represents 22% of the total respondents.

Question 4: The fourth question required respondents to state their profession.

Response	No of Respondents	Percentage (%)
Accounting	15	65.2
Finance	8	34.8
Total	23	100.00

Source: Researcher's Fieldwork, 2025

The inference from the above is that a greater majority of the respondents representing 65.2% of the total respondents were of the accounting profession, whereas 34.8% of the total respondents were of the finance profession.

SECTION B: Socio Economic Data

Question 5: The fifth question required the respondents to state whether they have seen an annual report of a company before. The responses were presented in

Table 4.5

Response	No of Respondents	Percentage (%)
Yes	23	100.00
No	00	00.00
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It could be inferred that the entire respondents had seen the annual report of a company representing 100%

Question 6: The sixth question required the respondents to determine whether the information as contained in the annual report is sufficient to inform a good investment decision of not. The responses were represented in table 4.6

Table 4.6

Response	No of Respondents	Percentage (%)
Yes	13	56.5
No	10	43.50
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It could be inferred that there is no significances difference between the respondents that were of the view that the information contained in the annual report was not sufficient to inform a good investment decision and vice versa.

Question 7: The seventh question required the respondents to determine whether the financial reports reflect the true state of affairs of the company. The responses were set below in the table 4.7

Table 4.7

Response	No of Respondents	Percentage (%)
Yes	18	78.3
No	5	21.7
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It could be inferred that majority of the respondents were of the opinion that the financial report reflect the true state of affairs of their company whereas the majority representing 21.7% of the total respondents thought otherwise.

Question 8: The eight questions required the respondents to state whether they have shares in their company. The responses were set below in the table 4.8

Table 4.8:

Response	No of Respondents	Percentage (%)
Yes	18	78.3
No	5	21.7
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It could be deduced that 73.9% of the respondents were shareholders in their company.

DISCLOSURE REQUIREMENT

Question 9: The ninth question required the respondents to determine whether their company complied with the disclosure requirements of the statutes. Their responses were set below in table 4.9

Table 4.9

Response	No of Respondents	Percentage (%)
Yes	13	56.5
No	10	21.7
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It could be inferred that only an insignificant disparity existed between those that made one opinion that the company does not adhere to the disclosure requirement of the statutes and those with the opposite opinion.

Question 10: The tenth question required the respondents to determine whether one minimum disclosure requirement were enough to show the state of affairs of the company. The responses were set out below in table 4.10

Response	No of Respondents	Percentage (%)
Yes	10	52
No	13	48
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It could be inferred that majority which respondents fifty two percent were of the opinion that the minimum disclosure requirement were not enough to show the state of affairs of their company whereas the other though otherwise.

Question 11: The eleventh question sought to know from the respondents whether is it true that some companies become illiquid after posting huge profits. Their responses were set below in table 4.11

Table 4.11

Response	No of Respondents	Percentage (%)
Yes	2	8.7
No	21	91.3
Total	23	100.00

Source: Researcher's Fieldwork, 2025

As can be seen from their response, the minority representing 8.7% were of the opinion that companies become illiquid after posting huge profit whereas 91.3% had an opposite view.

Question 12: The twelfth question required the respondents to state their monthly income. Their responses were set out in the table 4.12 below Table 4.12

Response	No of Respondents	Percentage (%)
0.50, 000	5	21.7
51, 000 - 200,000	12	52.2
201, 000- 500,000	6	26.1
501, 000– infinity	0	0.00
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It could be inferred that the monthly income range of 51, 000 - 200,000 was the highest given the percentage.

Question 13: The thirteenth question required from the respondents to determine whether they would subscribe to the share of the Nigerian Tuyil plc. Their responses were set below in table 4.13.

Response	No of Respondents	Percentage (%)
Yes	14	60.9
No	9	39.1
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It could be seen from the table that the majority representing 60.9% would subscribed to the shares of the company whereas only 39.1% of the total respondents would not.

Question 14: The fourteenth question sought to know whether the information content of the financial report is capable of informing a sound judgment. Their responses were set below in table 4.14

Response	No of Respondents	Percentage (%)
Yes	12	52.00
No	11	48.00
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It could be seen that there was no significant difference in once response of the respondents.

Question 15: The fifteenth question required to know whether the statements of accounting standard and other relevant statutes in Nigeria prescribe the standard format for financial report 4.15.

Response	No of Respondents	Percentage (%)
Yes	16	69.6
No	7	30.4
Total	23	100.00

Source: Researcher's Fieldwork, 2025

From the above table majority were of the opinion that there is a set format for preparation of financial report, whereas the minority though otherwise. Question 16: The sixteenth question enquired to know whether the financial report meets the desired need of the various user of accounting information. Their responses were set out below in table 4.16.

Table 4.16

Response	No of Respondents	Percentage (%)
Yes	14	60.9
No	9	39.1
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It could be deduced that the majority representing 60.9% were of the opinion that the financial report meets the needs of the various users of accounting information whereas the minority represented by 39.1% though otherwise.

Question 17: The seventeenth question sought to know whether their company complied strictly with the provision of the statutes. Their responses were set out below in table 4.17

Table 4.17

Response	No of Respondents	Percentage (%)
Yes	19	82.6
No	4	17.4
Total	23	100.00

Source: Researcher's Fieldwork, 2025

It could be seen from the table above that a valid conclusion could be reached since 82.6% of the total respondents were of the opinion that their company had complied with the provisions of the relevant statues whereas 17.4% thought otherwise.

Question 18: The eighteenth question required the respondents to state whether the financial reports so presented were prepared objective. The analysis of the responses was set below in table 4.18.

Table 4.18.

Response	No of Respondents	Percentage (%)
Yes	17	73.9
No	6	26.1
Total	23	100.00

Source: Researcher's Fieldwork, 2025

The table above shows that 73.9% of the respondents were of the view that the financial report were prepared objectively whereas only 26.1% thought otherwise.

HYPOTHESIS TESTING

In this section of this work, hypothesis which had earlier been formulated in chapter one are now being tested accordingly so as to

achieve the objectives of this study each of the four hypothesis formulated were tested using an appropriate statistics tool, i.e. chi-square test statistic and the findings in each case were used to determine whether or not each of the alternative hypothesis were to be accepted or rejected. The data for testing the hypothesis were based upon the twenty three respondents whose questionnaires were returned.

HYPOTHESIS ONE

H0: The information provided in the financial statements is not adequate to support good decision making.

Hi The information provided in the financial statements is not adequate to support good decision making.

Test Data: the data used in testing the above hypothesis were responses to questions N0 14, 18 and 19 of the questionnaire. Level of significance. The hypothesis was tested at the 5% level of significance.

Test of Statistics: The test statistics employed is the chi-square (x^2) distribution

Degree of freedom= (r-1)(c-1) (2-1)(2-1)= 1

Computation of critical value (x^2e 0.05 = 3.841)

(Table of x^2)

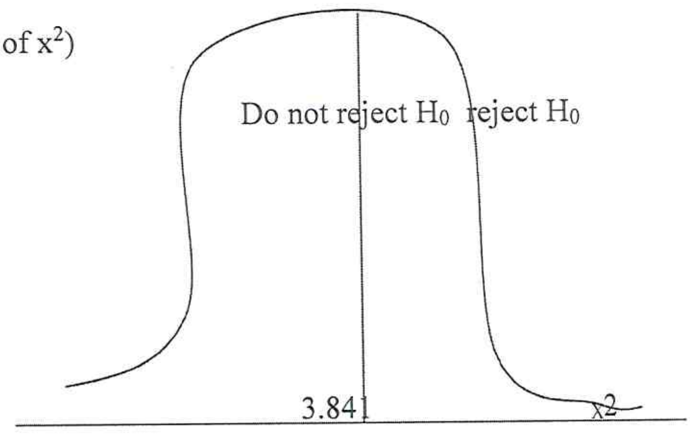

Figure 4.3 1 x^2 curve of hypothesis 1

Decision rule:

Reject H_0 if X^2 calculated> 3.841

Accept H_0 if X^2 calculated< 3.841

Computation of data for validation of hypothesis

Questions	Yes		Total
Do you think that the financial report has enough information capable of informing a sound judgment?	12	11	23
Do you think that the company has imbibed objectivity in its reporting	17	6	23
Do you think that the stakeholders desire more information than the organization is giving?	9	14	23

ef= 1,1= $\frac{23X38}{69}$ = 12.67

ef= 1,2= $\frac{23X31}{69}$ = 10.33

ef= 2,1= $\frac{23X38}{69}$ = 12.67

ef= 2,2= $\frac{23X31}{69}$ = 10.33

ef= 3,1= $\frac{23X38}{69}$ = 12.67

ef= 3,2= $\frac{23X31}{69}$ = 10.33

computation of calculated chi-square values

Of	Ef	(Of-ef)	$(Of-ef)^2$	$(Of-ef)^2/ef$
12	12.67	0.67	0.4489	0.0354
11	10.33	0.67	0.4489	0.0435

17	12.67	4.33	18.7489	1.4798
6	10.33	(4.33)	18.7489	1.8149
9	12.67	(3.67)	13.4689	1.0631
14	10.33	3.67	13.4689	1.34689
Total	-	-	-	5.80219

Decision

The test statistics has fallen into the rejection area since the calculated chi-square value of 5.80219 is more than the critical or table value obtained i.e. 3.841

$X^2 1 = 5.80210 > x^2 e \quad 0.05 = 3.841$

In accordance with the decision rule stated earlier, H0 is hereby rejected and Hi accepted. Therefore, I agree to the statement that the information provided in the financial statement is adequate to support good decision making.

HYPOTHESIS TWO

H0: The disclosure requirements of the statues do not affect corporate performance positively.

Hi The disclosure requirements of the statues do not affect corporate performance positively.

Test Data: the data used in testing the above hypothesis were responses to questions N0 9, 16 and 20 of the questionnaire.

Level of significance: The hypothesis was tested at the 5% level of significance.

Test of Statistics: The test statistics employed is the chi-square (x^2) distribution.

Degree of freedom= (r-1)(c-1) (2-1)(2-1)= 1

Computation of critical value ($X^2_{0.05}$ = 3.841) (table of X^2)

(Table of x^2)

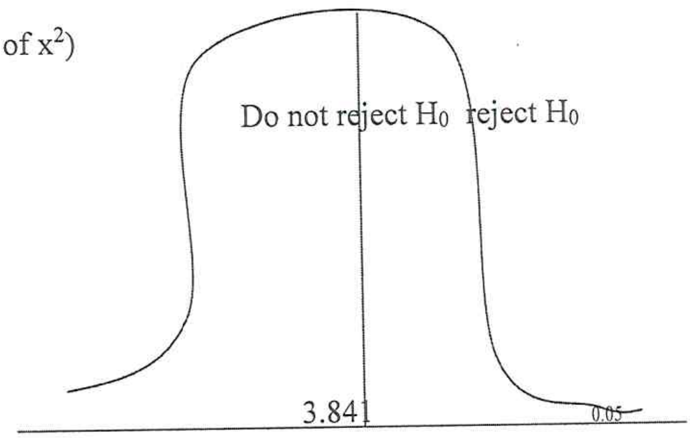

Figure 4.3 2 x^2 curve of hypothesis 2

Decision rule:

Reject H_0 if X^2 calculated> 3.841

Accept H_0 if X^2 calculated< 3.841

Computation of data for validation of hypothesis

Questions	Yes		Total
Do you company strictly to the disclosure requirement of the statutes?	13	10	23
Does the financial report meet the desired need of the various users of accounting information?	14	9	23
Do you think your company are eager to disclose more detail than the	7	16	23

statutes require them to do?			
Total	38	31	69

ef= 1,1= $\frac{23X34}{69}$ = 11.33

ef= 1,2= $\frac{23X34}{69}$ = 11.67

ef= 2,1= $\frac{23X34}{69}$ = 11.33

ef= 2,2= $\frac{23X35}{69}$ = 11.67

ef= 3,1= $\frac{23X34}{69}$ = 11.67

ef= 3,2= $\frac{23X35}{69}$ = 11.67

computation of calculated chi-square values

Of	Ef	(Of-ef)	$(Of\text{-}ef)^2$	$(Of\text{-}ef)^2/ef$
13	11.33	1.67	2.7889	0.2462
10	11.67	1.67	2.7889	0.2390
14	11.33	2.67	7.1289	0.6293
9	11.67	2.67	7.1289	0.6293
7	11.33	4.33	18.6498	1.6548
16	11.67	4.33	18.7489	1.6066
Total	-	-	-	4.9868

Decision

The test statistics has fallen into the rejection area since the calculated chi-square value of 5.80219 is more than the critical or table value obtained i.e. 3.841

$X^2{}_1 = 5.80219 > x^2{}_e \quad 0.05 \ = 3.841$

In accordance with the decision rule stated earlier, H0 is hereby rejected and Hi accepted.

CONCLUSION:

Based on the results of the test and hypothesis carried out, it is reasonable that H0 be rejected and Hi Accepted. Accordingly, we agree that the disclosure requirements of the statutes affect corporate performance positively.

HYPOTHESIS THREE:

H_0: corporate organizations do not comply strictly to the statutory regulations.

H_1: corporate organizations comply strictly to the statutory regulations.

Test Data: the data used in testing the above hypothesis were responses to questions N0 15, 17 and 18 of the questionnaire. Level of significance:

Test of Statistics: The test statistics employed is the chi-square (x^2) distribution

Degree of freedom= (r-1)(c-1) (2-1)(2-1)= 1

Computation of critical value ($X^2{}_{0.05} =$ 3.841) (table of X^2)

(Table of x^2)

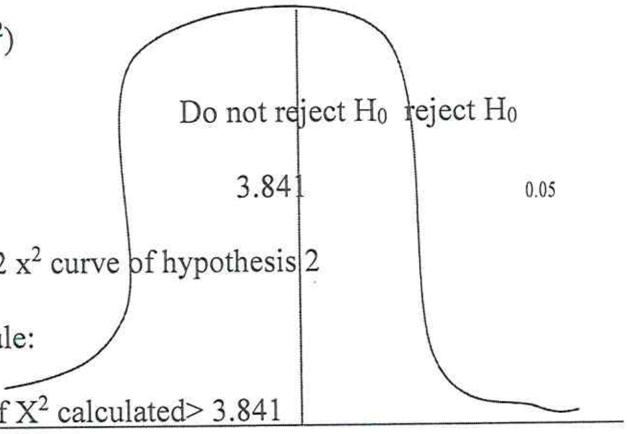

Figure 4.3 2 x^2 curve of hypothesis 2

Decision rule:

Reject H_0 if X^2 calculated> 3.841

Accept H_0 if X^2 calculated< 3.841

Computation of data for validation of hypothesis

Questions	Yes		Total
Does the statement of accounting standard and the relevant statutes in Nigerian prescribe the standard format for financial report?	16	7	23
Do companies comply strictly to the provisions of the relevant statutes?	19	4	23
Do you think that companies have imbibed objectively in their reporting practice?	17	6	23
Total	38	31	69

ef= 1,1= $\frac{23X52}{69} = 17.33$

ef= 1,2= $\frac{23X17}{69} = 5.67$

ef= 2,1= $\frac{23X52}{69} = 17.33$

ef= 2,2= $\frac{23X17}{69}$ = 5.67

ef= 3,1= $\frac{23X52}{69}$ = 17.33

ef= 3,2= $\frac{23X17}{69}$ = 5.67

Computation of calculated chi-square values

Of	Ef	(Of-ef)	$(Of\text{-}ef)^2$	$(Of\text{-}ef)^2/ef$
16	17.33	1.33	1.7689	0.1021
7	5.67	1.33	1.7689	0.3119
19	17.33	1.67	2.7889	0.1609
4	5.67	1.67	2.7889	0.0628
17	17.33	0.33	0.1089	0.0192
6	5.67	0.33	0.1089	0.0192
Total	-	-	-	1.09228

Decision:

The test statistics has fallen into the rejection area since the calculated chi-square value of 1.09228 is more than the critical or table value obtained i.e. 3.841

In accordance with the decision rule stated earlier, we accept H0 and rejected and Hi agree to the statement that the corporate organizations do not comply strictly with the statutory regulations.

HYPOTHESIS FOUR

H0: Financial report does not meet the needs of the various users of financial information

Hi Financial report does not meet the needs of the various users of financial information

Test Data: the data used in testing the above hypothesis were responses to questions N0 21, 23 and 24 of the questionnaire.

Level of significance: The hypothesis was tested at the decision

Decision

The test statistics has fallen into the rejection area since the calculated chi-square value of 1.2322 is more than the critical or table value obtained i.e. 3.841.

Based on the results of the test and analysis conducted, it is reasonable that Hi be rejected and H0 accepted. Conclusively, I agree that the financial report does not meet the needs of the various users of financial information.

The 5% Level of significance:

Test of Statistics: The test statistics employed is the chi-square (x^2) distribution

Degree of freedom= (r-1)(c-1) (2-1)(2-1)= 1

Computation of critical value ($X^2_{0.05} =$ 3.841) (table of X^2)

(Table of x^2)

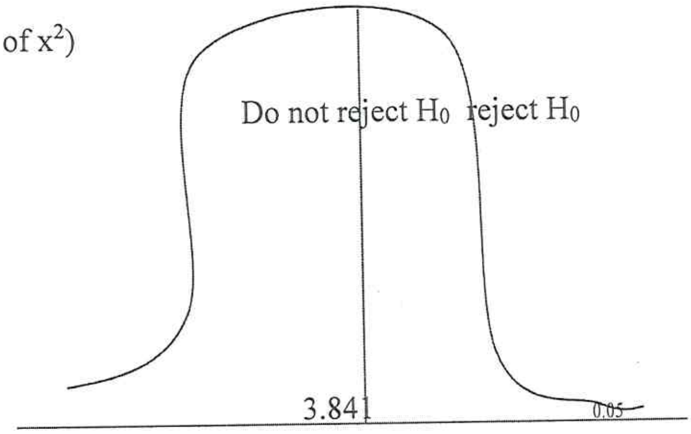

Figure 4.3 2 x^2 curve of hypothesis 2

Decision rule:

Reject H_0 if X^2 calculated> 3.841

Accept H_0 if X^2 calculated< 3.841

Computation of data for validation of hypothesis

Questions	Yes		Total
Does a good financial report enhance corporate image?	15	8	23
Do companies window-dress their financial report to look appending?	18	5	23
Does the concept of "true and fair view" adequately satisfy the needs of financial information?	15	8	23
Total	38	31	69

ef= 1,1= $\frac{23X48}{69}$ = 16

ef= 1,2= $\frac{23X21}{69} = 7$

ef= 2,1= $\frac{23X21}{69} = 16$

ef= 2,2= $\frac{23X21}{69} = 7$

ef= 3,1= $\frac{23X52}{69} = 17.33$

ef= 3,2= $\frac{23X21}{69} = 7$

Computation of calculated chi-square values

Of	Ef	(Of-ef)	$(Of-ef)^2$	$(Of-ef)^2/ef$
15	16	1	1	0.0625
8	7	1	1	0.1429
18	16	1	1	0.25
5	7	2	4	0.5714
15	16	1	1	0.0625
8	7	1	1	0.1429
Total	-	-	-	1.2322

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 SUMMARY OF FINDINGS

This research is aimed at providing an insight into the impact of financial reporting on the corporate performance of business organizations. On the course of the research work, data were gathered, collected and analysed, also various hypotheses were tested with a view to finding the extent to which financial accounting reporting bear on the performance of a business organization. It was discovered that not much significance difference existed between the respondents who were of the opinion that the information contents of the financial report was not enough to inform a good investment decision and the respondents who though otherwise. Again it was observed in question N0 10 of the questionnaire, that 52 percent of the respondents were of the opinion that the minimum disclosure as stipulated in the statutes for companies was enough, the remaining 48 percent were of the opposite view.

The hypothesis number two of the research work was tested and it was discovered that the disclosure requirements of the statutes affects corporate performance of business organizations positively. This is because of the desire in every stakeholder to know about their business organizations.

The extent to which this need is satisfied is the gravity of the weight if will bear on the positive or negative performance of the business organization. The hypothesis number four that was tested yielded quite an interesting result. The number should that the financial information. If the operation does not satisfy the needs of the people whose stake in the business is enormous, then there is need for proper check.

5.2 CONCLUSION

In the light of the observation and discussions carried out on the impact of financial accounting reporting on the corporate performance of business organizations, the following conclusions were drawn.

That the financial accounting report is a veritable document through which the status and performance of a business organization could be evaluated.

Their given the weight of the financial accounting report, a lack of adequate information exists.

The stakeholders place heavy reliance on the financial accounting report or desist from venturing into the business organization whose financial information rail to meet their taste.

That there is no water-tight check which ensures that there is no compromise to an objective and fair reporting.

That the information content in the financial report does not meet the needs of the various users of financial accounting information.

5.3 RECOMMENDATIONS

For the purpose of drawing a well balance insight into the impact of financial accounting reporting on the corporate performance or business organizations, I recommend as follows:

If stakeholder's confidence is to be restored and sustained for the growth of the business organization, care must be exercised to ensure that the financial accounting report furnishes them with the required information they need.

Reports on the organization operations should be made available to its users timely so that it can be put to adequate use.

The regulators of the financial accounting reporting should ensure that business organizations adhere strictly to the reporting rules.

The directors who have the traditional role of preparing this financial report should ensure that it is prepared in accordance to the best international practices.

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