IFRS ADOPTION AND SHAREHOLDERS' WEALTH OF DEPOSIT MONEY BANKS IN NIGERIA

Dzugwahi Haruna
University of Liverpool
United Kingdom

and
Kighir Apedzan Emmanuel
Department of Accounting
Federal University,Dutsin-Ma,
Katsina State, Nigeria

Abstract

In 2012, the Nigerian government adopted IFRS due to inadequacies of the Nigeria GAAP and the need to embrace international best practices. This study examines the effect of IFRS Adoption on Shareholders' Wealth in Deposit Money Banks in Nigeria. The study employs longitudinal research design and collected data from published financial statements of Deposit Money Banks (DMBs) listed on the Nigerian Stock Exchange (NSE) for the period 2008 to 2015. Multivariate Analysis of Variance (MANOVA), Multivariate Analysis of Covariance (MANCOVA) andmultiple regression analysis models used for the data analysis. The Dividend per Share (DPS), Market Value per Share (MVPS), Earnings per Share (EPS) and Return on Equity (ROE) serve as proxies for shareholders' wealth while IFRS pre and post-treatments serve as a categorical variable and inflation as a continuous control variable. The outcome of the study shows that IFRS adoption impacted significantly on DMBs shareholder wealth of DPS, but on ROE only after controlling for inflation effect. There is, however, no evidence on Market Value per Share (MVPS) and Earnings per Share within the same period under review even after controlling for inflation effect. The study concludes that IFRS adoption has impacted significantly on DMBs shareholder wealth in Nigeria.

Keywords: International financial reporting standards (IFRS), Shareholders' wealth, Deposit money banks (DMBs), Multivariate analysis of variance (MANOVA), Multivariate analysis of covariance (MANCOVA)

INTRODUCTION

Globalisation and increasing business activities across borders brought about the International Organizations of Securities Commissions (IOSCO) to adopt International Financial Reporting Standards (IFRS) for companies listed or to seek to list on stock exchanges worldwide (Stenka, Ormrod, & Chan, 2008).

The International Financial Reporting Standards is a set of high-quality global accounting standards and rules issued by the International Accounting Standards Board (IASB) of United Kingdom for the preparation and presentation of financial statements worldwide to promote uniformity and transparency (IASB, 2016; ICAEW, 2013).

These International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) are posited to serve as a guide in the preparation of financial statements globally (IASB, 2016; Chen, Tang, Jiang, & Lin, 2010).

As at 31st March 2018, one hundred and fifty (150) countries have adopted IFRS (IASB, 2018) notwithstanding, the implementation rate differs across countries and continents of the world. In 2005, European Union (EU) directed all listed companies in Europe to migrate from national accounting standards to IFRS. Also, the United States Securities and Exchange Commission (SEC) allowed foreign corporations that were trading on the US Stock Exchanges to report financial statements in line with IFRS rules (Athanasios, 2011).

Table 1: Number of Countries (by Continent) that have adopted IFRS as at 31st March 2018

	Number of Jurisdictions	Percent of total
Europe	44	29%
Africa	23	15%
Middle –East	13	9%
Asia and Oceania	33	22%
Americas	37	25%
Totals	150	100%

Source: http://www.ifrs.org/use-around-the-world/use-of-ifrs-standards-by-jurisdiction

Statement of the Problem

In line with the global practice, Nigeria in 2012 adopted the International Financial Reporting Standards (IFRS) along with another twenty-two (22) African countries. In the light of adoption, the Financial Reporting Council of Nigeria (FRCN) a government regulatory body directed all listed companies in Nigeria to migrate from national accounting standards to International Financial Reporting Standards with effect from 1st January 2012 (FRCN, 2015; Madawaki, 2012).

In the spirit of globalisation, the Nigerian Stock Exchange (NSE) and the Nigeria Securities and Exchange Commission (SEC) made it mandatory for all companies trading and wishing to be listed on the floor of the Nigerian Stock Exchange' to adopt IFRS reporting for their financial statements in line with Nigeria's adoption of IFRS (NSE, 2015).

Nwude, 2012, posits that it had become worrisome to the shareholders in Nigeria when the prices of the shares crashed in 2007, it may not be unconnected with the economic meltdown globally. Despite this fact, Companies in Nigeria exploited the loopholes of the Nigeria GAAP and presented financial statements that were impressive by declaring dividends to shareholders, but companies could not offset the obligations on the profits reported (Nwude, 2012).

Poor corporate governance practices and creative accounting led to the takeover of five DMBs in 2009 by the Central Bank of Nigeria. The five DMBs are Afribank Nigeria Plc., Oceanic Bank Plc; Platinum Habib Bank Plc., Intercontinental Bank Plc., and Spring Bank Plc (CBN, 2015).

Nigeria Deposit Insurance Corporation (NDIC) and the Central Bank of Nigeria (CBN) intervened by injecting six hundred and fifty billion naira ?650Bn (the equivalent of USD 4.13 billion) to save depositors fund and bank stakeholders (CBN, 2015; Ogunde, 2012).

Investors raised concerns that the financial statements produced by listed companies in Nigeria before the adoption of IFRS are inadequate and lack credibility (NSE, 2015; Shehu, 2011).
Jensen and Meckling (1976), in their agency theory, posits that conflict arises when agents (managers), pursue their interest (high pay, better perks, and great bonuses) to the detriment of the shareholders objective of wealth maximisation. Some managers get involved in window dressing of financial reports and unethical practices, and this adversely impacts shareholders value (Mallin, 2013). The principal-agent relationship breeds information asymmetry (Hilliard, 2013).

Potential investors, shareholders and other users of the financial statements such as managers, suppliers, creditors, and government need IFRS compliant financial statements that they can rely on for decision making (IASB, 2016;Alexander, Britton, & Jorissen, 2011).

This research tries to find out if the adoption of IFRS has improved information asymmetry of these banks and hence impacted the shareholder's wealth since IFRS adoption. The study covers 2008 to 2015 with four years before and four years after the adoption of IFRS by Nigeria in 2012 by significant public entities, and this is to allow a pre and post treatment effect on shareholders wealth for adequate comparison.
Past researchers in Nigeria focused mainly on the impact of IFRS adoption on foreign direct investments, and the cost of capital (Nnandi & Soobaroyen, 2015; Shehu, 2015; Okafor & Ogiedu, 2011)., without investigating the effects of IFRS adoption on the wealth of the shareholders.
The study employs a multivariate analysis of variance (MANOVA/MANCOVA); to compare the effect of pre and post treatment effects. In addition to multiple regression of pre and post categorical variable to find out if IFRS adoption impacts on shareholders wealth with Dividend per Share (DPS), Market Value per Share (MVPS), Earnings per Share (EPS) and Return on Equity (ROE) serving as proxies.
The primary purpose of this research is to assess the impacts of international financial reporting standards implementation on shareholders wealth of the listed deposit money banks in Nigeria.

The study specifically is aimed at evaluating the impact of IFRS adoption on Market Value per Share (MVPS), Earnings per Share (EPS), Dividend per Share (DPS) and Return on Equity (ROE) of the listed Deposit Money Banks (DMBs) in Nigeria, pre and post IFRS implementation.

Ho: There is no significant impact of IFRS adoption on Market Value per Share (MVPS), Earnings per Share (EPS), Dividend per Share (DPS) and Return on Equity (ROE) on listed Deposit Money Banks (DMBs) in Nigeria after IFRS implementation.

LITERATURE REVIEW

Theoretical review

Jensen and Meckling (1976), in their agency theory, posits that conflict arises when agents (managers), pursue their interest (high pay, better perks, and great bonuses) to the detriment of the shareholders objective of wealth maximisation. Some managers get involved in window dressing of

financial reports and unethical practices, and this adversely impacts shareholders value (Mallin, 2013). The principal-agent relationship breeds information asymmetry (Hilliard, 2013).

Aprofessional manager undertakes a task of preparing and presenting financial statements on behalf of the shareholders. Managers have a fiduciary responsibility and accountability to shareholders (Mallin,2013).

The Agency theory is relevant to this research as the adoption of IFRS will likely improve information asymmetry between the managers andshareholders and impacts the shareholders' wealth.

Empirical Review

Hilliard (2013) examined the effect of adopting IFRS on financial statements in Canada and found that the market reacts adversely to IFRS implementation. Migrating to IFRS from Canadian GAAP enhanced financial reporting and reduction of information asymmetry.

Despite Hilliard (2013) discovery, that IFRS adoption led to the decrease of information asymmetry. The study only examined the first quarter financial reports after the passage of IFRS in Canada, for better analysis and generalisation the research could have spanned overtime periods, and that is not the case. Notwithstanding, Hilliard's outcome may be beneficial to early adopters in evaluating the impacts of IFRSadoption.

Common accounting standards across Europe and the globe ensure greater comparability of financial information (ICAEW, 2015). Mandatory adoption of IFRS in the European Union; helped improved comparability among adopters (Brochet,Alan & Edward, 2013;Andre, Dionysia & Ioannis, 2012;Yip & Young, 2012; Cairns, Massoudi, Taplin & Tarca 2011; Jones & Finley, 2011; Dargenidou & McLeay, 2010). However, according to Lang, Mark and Edward (2010), the adoption of international financial reporting standards has not increased accounting comparability.

IFRS adoption improved value relevance in Australia, Hong Kong and New Zealand (Cheong, Kim & Zurbruegg, 2010) and the adoption of IFRS assisted capital market participants in Korea through improved earnings quality and lower information asymmetry (Cho,Kwom,Yi & Yun.,2015).

Gulani, Malgwi and Idriss (2015) investigated the effects of the adoption of IFRS on ratios of banks in Nigeria.Apaired sample T-test employed to analyse the impact of IFRS on return on capital employed (ROCE), return on assets (ROA), return on equity (ROE), equity to loan, equity to total assets and loan to total assets. From the study, migrating from Nigeria GAAP to IFRS significantly impacted return on equity and loan to total assets. Moreover, return on equity affected shareholders wealth when ROE increases itwould enhance the wealth of shareholders and vice versa (Gulani,Malgwi & Idriss,2015).

Ibiamke and Ateboh-Briggs (2014) examined the impacts of IFRS adoption on the primary financial ratios for the quoted companies in Nigeria. A sample of 60 companies quoted on the floor of the Nigerian Stock Exchange used. The IFRS adoption caused a decrease in profitability, liquidity, and critical market ratios.

The study by Yahaya, Onyabe and Usman (2015) similar to the research on hand examined the effect of IFRS adoption on the value relevance of the listed Deposit Money Banks in Nigeria from 2004 to 2013. Pre-IFRS adoption period 2004 to 2008 and post-IFRS adoption 2009 to 2013. Two models employed in the analysis price and earning models. The price model proxies' earnings per share (EPS) and market value per share (MVPS) while annual returns representing earning model; Findings revealed that, earnings per share increased significantly and value relevance of accounting information improved. Therefore, improvement in accounting information and EPS invariably enhanced shareholders wealth (Yahaya, Onyabe & Usman, 2015).

Tanko (2012) examined the effect of IFRS adoption on the performances of firms in Nigeria measured as profitability, growth, liquidity, and earnings per share (EPS) and from the results the quality of financial reporting improved through a decrease in managerial discretion in reporting earnings.

Adabenege, Kutigi and Mohammed (2015) examined the effect of IFRS adoption on earnings behaviour of quoted deposit money banks in Nigeria. Financial statements of the 15 listed banks on the Nigerian Stock Exchange (NSE) for the period 2004 to 2013 used. The study showed that banks' ability or tendency to engage in earnings management reduced due to transparency involved in financial reporting under IFRS(Adabenege, Kutigi & Mohammed, 2015).

Several studies in the US, UK, Asia, Australia, and Africa centered on the effect of IFRS adoption in the areas of net income, equity, financial ratios, and foreign direct investment, the cost of capital. Particularly, the comparative analysis of financial statements prepared under the GAAP and IFRS.

METHODOLOGY

The study adopts panel or longitudinal research design to test the impact of IFRS adoption of shareholders wealth pre and post-adoption. The data collected from published financial statements of the listed commercial banks (DMBs) and the Nigerian Stock Exchange from 2008 to 2015 (CBN, 2015; NSE, 2015). The period coincides with four years before and four years after the adoption of IFRS by Nigeria in 2012 by significant public entities, and this is to allow a pre and post treatment effect on shareholders wealth for adequate comparison. Monthly inflation data sourced from the Central Bank of Nigeria (CBN)website.

All the 15 Deposit Money Banks listed on the Nigerian Stock Exchange constitute the sample of the study from a population of twenty-two (22) DMBs Banks in Nigeria. The study adopted a filter based on the availability of the data in the DMBs as seven out of the twenty - two(22), Deposit Money Banks in Nigeria are not listed on the Nigerian Stock Exchange, leaving only fifteen listed banks that met the criterion.

The study employs Multivariate Analysis of Variance (MANOVA) and Multivariate Analysis of Covariance (MANCOVA) along with pooled Ordinary Least Squared Regression Analysis (OLS) to test the impact of IFRSadoption pre andposton shareholders wealth.
Variable measurement
This study uses six (6) variables to study the relationship between IFRS adoption and Shareholders wealth.

Shareholders wealth is the dependent variable of the study, and measured by four variables Return on Equity (ROE), Earnings per Share (EPS), Dividends per Share and Market Value per Share that served as a proxy for shareholders wealth.

IFRS adoption is the independent variable measured by Pre and post-treatment of the categorical variable, and inflation factor is the control and a continuous variable for regression analysis.

The MANOVA and MANCOVA compare the means of the four variables, pre and post while the OLS regression is fitted after the comparison to see the effect of pre (1) and post (2) as a categorical independent variable on each of the four dependent variables representing shareholders wealth.

Model Specification

In this study, the relationship between four (4) dependent variables and two (2) independent variables expressed in multiple equations are as below.

MANOVA/MANCOVA

$X_{1a} = X_{1b}$; for ROE

$X_{2a} = X_{2b}$; for EPS

$X_{3a} = X_{3b}$; for DPS

$X_{4a} = X_{4b}$. for MVPS

Where $Xa = Xb$. are pre and post means of the respective dependent variables, X1, X2, X3 and X4 for ROE, EPS, DPS, and MVPS respectively for MANOVA analysis while MANCOVA compares the Covariance of a continuous variable.

REGRESSION ANALYSIS

$Y_{it} = b_0 + b_1 X i_1 t_1 + b_2 X i_2 t_2 + ?_{it}$

Where Y= dependent variable (ROE, EPS, DPS and MVPS)

X= independent variable (Pre (1) and Post(2) categorical variable)

$b0, b1, b2, \ldots b_t$ = coefficient of the regression

i = number of banks, t = number of years

? = error or random variable or residual

Decision Rule: if the p-value calculated at 1%, 5%, and 10% is lower than the critical values at 1%, 5%, and 10% respectively, accept the null hypothesis (Ho) or otherwise reject if the p-value calculated is greater than the critical value.

DATA PRESENTATION, ANALYSIS, AND DISCUSSION

Descriptive Statistics

Data on shareholders wealth (SW) that is the dependent variable (market value per share (MVPS), earnings per share (EPS), dividend per share (DPS) and return on equity (ROE)) and independent variables were analysed using STATA 13 statistical package and presented below:

Table IIDescriptive Statistics for the Variables

Variable	Obs.	Mean	Std. Dev.	Min	Max
MVPS	120	8.8283417	6.900982	0.5	28
EPS	120	.88775	1.152094	0	8.74
DPS	120	.3934167	.4838214	0	2
ROE	120	10.44083	11.65177	0	109.44
Inflation	96	.08786458	0.06862708	-.6	3.69

Source: Researchers Analysis using STATA13

From table II, the Market Value per Share (MVPS) has a mean of N8.28 with a Standard Deviation (SD) of 6.90; the highest MVPS of Deposit Money Banks (DMBs) in Nigeria for the period is N28.00 and the least MVPS of 50 kobos. The Earnings per Share (EPS) attributable to ordinary shareholders have a mean of 0.89 and an SD of 1.15; the maximum EPS is N8.74 and the lowest zero. The Dividend per Share (DPS) averages N0.39 and SD of 0.48. For the entire period the maximum dividend received by shareholders is N2.00, and in some years, there was no dividend paid. The average Return on Equity (ROE) is N10.44 and SD of 11.65; the highest return accruing to shareholders is N109.44. The average monthly inflation is 8.7% with a standard deviation of approximately 0.07%.

Table III: The CorrelationMatrix

Variable	MVPS	EPS	DPS	ROE	Inflation
MVPS	1.0000				
EPS	.2471	1.0000			
DPS	.6005	.4024	1.0000		
ROE	.3778	4907	0.4889	1.0000	
Inflation	-0.0874	-0.1318	-0.0419	-0.1125	1.0000

Source: Researchers Analysis using STATA 13

From table III, correlating the relationship among dependent variables (MVPS, EPS, DPS, & ROE) revealed that the correlation between Market Value per Share (MVPS) and Earnings per Share (EPS) is 0.25 and between Market Value per Share (MVPS) and Dividend per Share (DPS) is 0.60. Also, the correlation between Market Value per Share (MVPS) and Return on Equity (ROE) is 0.38. The correlation of 0.40 exists between Earnings per Share (EPS) and Dividend per Share (DPS) while the correlation of 0.49 exists between EPS and Return on Equity (ROE). In the same vein correlation of 0.489 exists between Dividend per Share (DPS) and Return on Equity (ROE). An inverse correlation existed between inflation and MVPS, EPS, DPS, and ROE, during the period under review.

All correlation coefficients between the dependent variables are below 0.8; this indicates the absence of multicollinearity among variables under observation. However, if the coefficient of regression is above 0.8 means, multicollinearity exists.

The reason for examining the relationship between the dependent variables is to ensure that there is no very high or perfect correlation of the regression variables. Multicollinearity emerges because of a high degree of correlation between dependent variables; if it exists then one dependent variable must be eliminated from the study, to avoid redundancy of dependent variables and distortion in the values of regressioncoefficients.

MANOVAof MVPS, EPS, DPS and ROE
Pre (1) and Post (2) IFRS Treatment serves as a proxy for the categorical independent variable for IFRS adoption
manova MVPS EPS DPS ROE = TREATMENT
Number of observations = 120

| W =Wilks' lambda | L= Lawley-Hotelling trace |
| P= Pillai's trace | R = Roy's largest root |

Table IV: Multivariance Analysis of Variance (MANOVA)

Source		Statistics	Df	F (df1,	df2) =	F	Prob > F
Treatment	W	0.9324	1	4.0	115	2.09	0.0872 e
	P	0.0676		4.0	115	2.09	0.0872 e
	L	0.0725		4.0	115	2.09	0.0872 e
	R	0.0725		4.0	115	2.09	0.0872 e
Residual			118				
Total			119				

Source: Researchers Analysis using STATA 13
Key: e= exact, a= approximate, u= upper bound on F
From table IV, all the statistical measures of difference between pre-IFRS adoption and post IFRS adoption has a significant difference using Wilks' lambda, Pillai's trace, Lawley-Hotelling trace, and Roy's largest root tests. The outome means that IFRS adoption has a significant difference on shareholders wealth, and the measures could not reveal which of the variables has impacted most on shareholders wealth. This is detrmined by running a regression using the pre and post-adoption as categorical variable as below:

Table V: Regression result for pre and post treatment test

Variable	Obs.	Treatment	Coefficients	Std. Error	T	P value
MVPS	120	Pre	0			
		Post	0.132	1.265	0.10	0.917
EPS	120	Pre	0			
		Post	0.254	0.210	1.21	0.228
DPS	120	Pre	0			
		Post	0.193	0.869	2.21	0.029
ROE	120	Pre	0			
		Post	1.699	2.131	0.80	0.427

Source: Researchers Analysis using STATA 13

From Table V, only Dividend per Share (DPS) that has a positive relationship and significant impact post-adoption at below 5% significant level meaning that IFRS adoption has an impact on shareholders wealth of DPS. MVPS, EPS, and ROE have a positive relationship but not significant. Therefore, IFRS adoption has not impacted shareholders wealth of MVPS, EPS, and ROE.

Table VI: Multivariance Analysis of Covariance (MANCOVA)

Source		Statistics	Df	F (df1,	df2) =	F	Prob > F
Treatment	W	0.891	2	8.0	180.0	1.34	0.2251 e
P		0.112		8.0	182.0	1.34	0.2239 a
L		0.121		8.0	178.0	1.34	0.2264 a
R		0.095		4.0	91.0	2.15	0.0810 u
Residual			93				
Inflation		0.975		4.0	90.50	0.59	0.6709 e
P		0.026		4.0	0.50	0.59	0.6709 e
L		0.026		4.0	90.50	0.59	0.6709 e
R		0.026		4.0	90.50	0.59	0.6709 e
Total			95				

Source: Researchers Analysis using STATA 13

Key: e = exact, a = approximate, u = upper bound on F

Table VII. Regression result for pre and post treatment test with inflation as a control variable

Variable	Obs.	Treatment	Coefficients	Std. Error	T	P value
MVPS	120	Pre	0			0
		Post	0.0.18	1.354	0.01	0.989
		Inflation	-.822	0.992	-0.83	0.410
EPS	120	Pre	0			0
		Post	0.167	0.240	0.70	0.487
		Inflation	-.198	0.176	-1.13	0.262
DPS	120	Pre	0			0
		Post	0.51	0.088	1.72	0.089
		Inflation	-.005	0.64	-0.07	0.025
ROE	120	Pre	0			0
		Post	3.308	1.449	2.28	0.025
		Inflation	-.705	1.061	-0.66	0.508

Source: Researchers Analysis using STATA 13

From table VII, both dividends per share and return on equity have a positive relationship and significant impact post-adoption at 10% and 5% respectively; meaning that using inflation as a control, IFRS adoption has an impact on shareholders wealth of DPS and Return on equity. However, MVPS and EPS have an only positive relationship but not a significant effect on shareholders wealth.

Summary of Findings

The initial analysis of all the statistical measures of difference between pre-IFRS adoption and post-IFRS adoption has a significant difference using (Wilks' lambda, Pillai's trace, Lawley-Hotelling trace, and Roy's largest root) tests. The outcome of the analyses shows that IFRS adoption has a significant difference on shareholders wealth. However, the measures could not determine which has impacted most on shareholders wealth. By running a regression using the pre and post-adoption of IFRS as a categorical variable revealed the dependent variable(s) that significantly impacted shareholders wealth.

The result of the regression test shows that only dividend per share (DPS) that has a positive relationship and significant impact post-adoption at below 5% significant level. It means that IFRS adoption has an impact on shareholders wealth of DPS. MVPS, EPS, and ROE have a positive relationship but no significant effect on shareholders wealth.

Multivariate analysis of covariance (MANCOVA) after controlling for inflation shows that both Dividends per share (DPS) and Return on Equity (ROE) have a positive relationship and significant impact on shareholders wealth. A positive relationship exists between Market value per share (MVPS) and Earnings per share (EPS), but have no significant impact on shareholders wealth of listed Deposit Money Banks (DMBs) in Nigeria.

SUMMARY, CONCLUSION AND RECOMMENDATIONS
Summary

As at 31st March 2018, one hundred and fifty (150) countries have adopted IFRS (IASB, 2018). In 2012, Nigerian government adopted IFRS due to inadequacies of the Nigeria GAAP and the need to embrace international best practices that guarantee understandable, transparent and comparable financial statements across borders (ICAEW, 2013). This study was undertaken to assess the impact of IFRS adoption on shareholders.

Extensive studies on IFRS in the US, UK, Asia, Australia, Africa, and Nigeria focused on, the effect of IFRS adoption on net income, equity, financial ratios, and foreign direct investment, the cost of capital. From the review, practical, theoretical and methodological gaps exist in the literature. Also, data collected for eight years (2008-2015) and were analysed using multivariate analysis andcovariance (MANAVOVA/MANCOVA) and multiple regression models with the aid of a STATA13.

The dividend per share (DPS), market value per share (MVPS), earnings per share (EPS) and return on equity (ROE) served as proxies for shareholders wealth while IFRS pre and post-adoption served as a categorical variable and inflation as a continuous control variable. This study revealed that IFRS adoption significantly impacted shareholders wealth of the listed deposit money banks in Nigeria particularly dividends per share andreturn on equity.

Conclusion and Recommendations
The outcome of the Multivariate Analysis and Covariance (MANOVA/MANCOVA) after controlling for inflation shows that Dividend per Share (DPS) has a positive relationship and a significant impact on shareholders wealth at below 10% significant level. Return on Equity (ROE) has a positive relationship and significant effect on shareholders wealth at below 5% significant level. However, Market Value per Share (MVPS) and Earnings per Share (EPS) has a positive relationship buthave no significant effect on shareholders wealth of listed Deposit Money Banks in Nigeria. The study concludes that IFRS adoption impacted DMBs shareholders' wealth in Nigeria.

The study recommends among other things that DMBs in Nigeria should sustain the application of IFRS as it impacted shareholders' wealth.
The policy implication is that this can help reduce the information asymmetry between shareholders and managers in Nigeria, thus improving the investment climate for the overall benefit of the Nation.
Further research on the effect of International Financial Reporting Standards (IFRS) adoption on shareholders wealth should explore further, the impact of economic growth and development on shareholders wealth as control variables.

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