

Milestone in Accounting Theory

EVOLUTION TO REVOLUTION



D. O. MUKORO

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PREFACE

Accounting is, essentially, an exercise concerned with the measurement and communication of useful financial information. It is also a highly complex and technical process requiring, in most instances, the professionalism of an experienced accountant to produce and report on the required data in a meaningful way. Many would also argue that accounting reports, because of their technical nature, require the professionalism of an experienced financial analyst in other that they may be used meaningfully.

Whatever the merits of these arguments and assumptions, it is clear that reported accounting information is an extremely important element in economic decision making, and that it requires the measuring and reporting in the best way possible. But “what is the” and “what are the” major problems to be overcome before the best way possible is achieved?

As we are not aware of any existing text which fully answers these points, the purpose of this text book is to explore, the main issues of financial reporting, delineating the major problems and offering what appear to be reasonable and

suitable answers. The text is written within the context of company financial reports because we believe these to be the major source of formal financial information about companies available to investors and other interested parties. While the context is essentially British in terms of the legal and fiscal environment, the context maintains neutrality which should enable non-British readers to follow it without difficulty. After all, the problems associated with producing and using company financial reports are not uniquely British.

Arguably, the largest single problem in writing a text is to; clearly, honestly and realistically access the potential readership. This is never an easy task but we hope we are being fair when we suggest that it should be capable of extensive use by the following groups: (a) University and Polytechnic undergraduates (Accounting and Business Studies), who are seeking a detail study of the company financial reporting system, as part of their overall study of financial accounting matters, (b) Professional Accountancy bodies' students undergoing foundation or graduate conversion courses. (c) Students in professions which are major users of published accounting information for example trainee bankers, stockbrokers, investment analyst and managers.

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Appendix I: Obligation for certified accountants to observe accounting standards or justify departure

Appendix II Suggested discussion or essay topics.

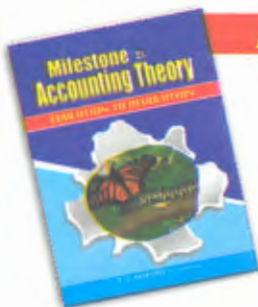


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Dickson O. Mukoro, Ph. D. Accounting, London, read in London Business School and lectured in London School of Accountancy. He had previously worked for British Transport Hotel, London as Accountant. He is a member of various professional bodies by examinations. These are: Certified Internal Auditors (USA), Institute of Taxation (London), British association of Accountants & Auditor, Institute of Incorporated Public Accountants (Ireland), American Chartered

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ABOUT THE BOOK:

Accounting is, essentially, an exercise concerned with the measurement and communication of useful financial information. It is also a highly complex and technical process requiring, in most instances, the professionalism of an experienced accountant to produce and report on the required data in a meaningful way. Many would also argue that accounting reports, because of their technical nature, require the professionalism of an experienced financial analyst in order that they may be used meaningfully.

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"The book presents a material that fills significant need in accounting education in Nigeria ..., it can be recommended as an additional reading to students of accounting in tertiary institution in Nigeria".

- One of the professors who reviewed this book

