THE IMPACT OF VALUE ADDED STATEMENT IN FINANCIAL REPORTING AND THE EVALUATION OF CORPORATE WEALTH DISTRIBUTION

A RESEARCH PROJECT

PRESENTED TO THE DEPARTMENT OF ACCOUNTANCY,
FACULTY OF BUSINESS ADMINISTRATION,
(ENUGU CAMPUS) UNIVERSITY OF NIGERIA

BY

PATRICK JOSEPH USORO
REGISTRATION NO. PG/MBA/91/11086
DEPARTMENT OF ACCOUNTANCY
UNIVERSITY OF NIGERIA (ENUGU CAMPUS)

SEPTEMBER, 1995

ABSTRACT

This paper assesses the impact created by the Value Added Statement in the scene of financial reporting by Companies. The Statement is mostly directed to employees as recommended by Corporate Report of Accounting Standard Committee of 1975. The distribution pattern of wealth created by Companies to the three principal Stakeholders - Shareholders, employees and the government was evaluated. The paper also sought to discover other uses of the statement, its popularity and willingness of the companies to contribute towards corporate social spending and the disclosure requirements.

Ten quoted companies out of seventy were chosen for survey in which questionnaires were distributed to some Accountants, employees cum Shareholders and employees without shareholdings. This formed the primary data while annual financial statements of the companies formed the main source of secondary data. Pearson's product moment correlation co-efficient, percentages, kendall co-efficient of concordance "W" and Chi square "X" statistics were used in testing the hypotheses.