

Corporate Governance and Disclosure on Segment Reporting: Evidence from Nigeria

Kabir Ibrahim* and Hartini Jaafar**

The Nigerian Accounting Standards Board (NASB) announced its roadmap to convergence with the International Financial Reporting Standards (IFRS) in September 2010. The Nigerian listed companies and Significant Public Interest Entities (SPIE) are required to comply with IFRS effective from 1 January 2012. Following the preparation for the transition from national standards to international standards by 2012, this study investigates the association between selected corporate governance mechanisms and voluntary compliance to IFRS 8 Operating Segments among Nigerian publicly listed companies. Using a sample of 69 companies, the result indicates no relationship between audit-committee-related variables and the level of voluntary compliance. Only one corporate governance attribute, separation of board leadership, is found to be associated with voluntary disclosure of IFRS 8. The research outcome provides greater insights into the interactions between corporate governance mechanisms and IFRS 8 compliance and is useful as a starting point for further research in financial reporting particularly in emerging countries such as Nigeria.

JEL Codes: M41 and M48