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The Effects of Public Perceptions on Financial Statements of Nigerian Banks: An Expository Survey of Taraba State

Haruna, Manasseh
Lecturer, Department of Accounting, Kwararafa University, Wukari, Taraba State, Nigeria
Danjuma, Irinyang Joro
Lecturer, Department of Economics, Federal University Wukari, Taraba State, Nigeria
Worsen, Daniel
Lecturer, Department of Accounting, Kwararafa University, Wukari, Taraba State, Nigeria

Abstract:
This research work assesses the Effects of Public Perceptions on Financial Statements of Nigerian Banks: An Expository Survey of Taraba State. This study employed survey design because it allows administration of questionnaire. The study utilizes primary as while as secondary data. Primary data were gotten through the use of questionnaires while secondary data were obtained from textbooks, newspapers, magazines, Journals and internet. Tables and simple percentages as well as Analysis of Variance were used as a tool to test hypotheses formulated and subsequent analyses. This study found that the perception of the general public made significant effects on decision making; the methods of analyzing financial statement such as vertical analysis, horizontal analysis, and so on yield results that affects entities in Jalingo metropolis and that ratio analysis is an effective method of analyzing financial statement. This research work recommended among others that since financial statement are seen as a tool for decision making, efforts should be made to ensure that it conveys the current economic realities of the day to enable the general public have a positive perception on the financial statement of an enterprise; because financial statement showcase stewardship of the management, it should be relied upon because it is still the best option for communicating financial information about the efficiency of performance and otherwise of an organization ; ratio analysis should always be adopted in analyzing financial statement because of its effectiveness and that students who may wish to carry on subsequent research on similar topic should extend the tentacle of their study beyond the circumference of one state, making it a comparative study.

Keywords: Public, public perception, expository survey, financial statements, banks.

1. Introduction

Financial statements are the means of communicating to shareholders and other interested parties' information on the financial resources, obligations and performances of the reporting entity or enterprise. Such information usually assists shareholders and other interested parties in assessing the financial liquidity, profitability and viability of the company (SAS 20). In the words of Pandey, (2005), the three basic financial statements of great significance to owners, management and investors are balance sheet, profit and loss account and cash flow statement. In a big enterprise, financial statement may also consist of Value added statement, Five year financial summary, Statement of accounting policies, Notes to the account, Auditors report, Directors report, Audit committee report and Chairman's statement.

It is worthy of note that Balance Sheet is the most significant financial statement which indicates the financial position of a business at a specific period of time normally at the end of a year (Haruna, 2013).A Balance Sheet is not an account but summary of all accounts as it contains information about its owner's interest in the business at a given date. In accounting parlance, a balance sheet communicates economic information about assets, liabilities and owners' equity at an accounting year end. A balance sheet performs the function of summarizing the resources and obligations of the company and it provides information about the liquidity and solvency of the company. While Profit and loss account is a financial measure of the performance of a company during a period of time; it represents the summary of revenue, expenses and net profit during a period of time. It performs the functions of summarizing revenue and expenses of the company and it measures the company's profitability.

Historically, when the business environment was in its dark ages, it was financed by a singular individual who only keeps the record of his transaction to ascertain the profit made at the end of the period. However, with increase in business activities which has taken a new dimensional approach, in which case, the corporate organization is registered and financed by quite a group of owners called shareholders, it becomes necessary and inevitable for a formalize statement to be prepared and presented to the diversified

stakeholders of the business outfit in addition to the shareholders. This classified and formalized document is known in accounting parlance as financial statement because it is a particular containing statement of the finances of the organization.

1.1. Statement of Research Problem

Over the years, the issue of the preparation and communication of financial statement by the management to the end users had taken a center stage. This becomes necessary because of the fact that those who supply the money for the business transactions that resulted to the reported earnings have the right to know how the business was run and whether it resulted to profit or loss. However, for quite a long time, people have lost hope and interest on financial statement because it is believed that the profits or otherwise are unduly altered and falsified through outright violation of accounting rule (Revsine, Collins and Johnson, 2004).

Moreover, managerial degree of flexibility in choosing specific accounting techniques and reporting procedures since Generally Accepted Accounting Principles (GAAP) permits alternative such as straight line method versus reducing balance method for depreciation of assets, managers have reasons to exploit these flexibilities to satisfy their interest. In another perspective, the reality of satisfying the diversified information need of the seemingly large number of users is vague and illusive.

In addition, it is a known fact that financial statement is quantified in financial and monetary terms which cannot be understood by a layman unless it is analyzed and interpreted through some methodologies to make meaning. The methods of conducting analysis arein diversity which calls for adequate understanding before application.It is against this backdrop that this work assesses public perception of financial statements of companies in Nigeria with specific emphasis on Taraba state.

1.2. Objectives of the Study

The aim of this research work is to assess the effects of public perceptions on Financial Statements of Nigerian Banks: A Survey of Taraba State. The specific objectives are to:

i.   examine the perceptions of the General Public about financial statements of Nigerian Banks in Jalingo Metropolis;
ii. assess the effects of financial statement on the General Public in Jalingo Metropolis;
iii. evaluate the methods of analyzing financial statement of Nigerian Banks in Jalingo Metropolis.

1.3. Research Questions

i.   What are the perceptions of the General Public about financial statements?
ii. What are the impacts of financial statement on the General Public?
iii. What are the methods of analyzing financial statement of an entity?

1.4. Research Hypotheses

- $H_{O1:}$ The perceptions of the general public do not make any significant effects on decision making.
- $H_{O2:}$ Financial Statement does not have any significant effects on the General Public.
- H_{O3}: The methods of analyzing financial statement do not have significant effects on any entity in Jalingo metropolis.

1.5. Significance of the Study

This research work is carried out in order to contribute positively to the field of knowledge. The beneficiaries of this research work include students, shareholders, prospective investors, management and the government. It has helped the researcher to gain more insight into financial statement and its relatives. In addition, this research work will add value to the existing literature and students will find it as a reference material. The shareholders will find this project work very useful because their perspective over dividend policy will be positively inclined and the prospective investors will be well guided on how to utilize information provided by the financial statement to make investment decision. This project work will assist the management of corporate organization to ensure that information presented in the financial statement is able to satisfy as much as possible the information need for the general public. This work will also assist the government to improve in formulating favourable policy which will enhance efficiency and effectively of the organizations.

1.6. Scope and Limitation of the Study

This research work covers the impacts of financial statement on the general public, specifically; the study is limited to Jalingo metropolis. The reason for the choice of Jalingo metropolis is because of its cosmopolitan nature and being the state capital of Taraba State, it is an excellent representation of other states and sixteen Local Government areas. The study covered the period of five years between 2011- 2015.The limitation to this work ranges from time factor since carrying out research work alongside with course work is demanding to the idea of bureaucracy which gives rise to the concept of secrecy regarding data and record that are needful and relevant to the full actualization of this work and lastly, financial handicap became a constraint to the attainment of the objectives of this work. However, the researcher was able to employ strategy to ensure the actualization of the available time and money to make this research work a huge success.

2. Conceptual Framework

2.1. Public Perception
This is a social phenomenon which defines the difference between an absolute truth predicated on facts and a virtual truth which is shaped by popular opinion, media chart and reputation. Public perception also called the public opinion is largely influenced by media and public relations through the use of various advertising methods to make them believe on the subject under discussion.

2.2. Expository Survey
This concept according to Akpa (2011), is the most popular research types that is concerned with providing accurate description of all the variables that play out on the problem and environment. In the light of the foregoing, Babbie (1986) in Fajonyomi and Fajonyimi (2003), maintained that this form of research is used for descriptive, explorative and explanatory purposes which seeks information from a group, or selected individuals about issues, events and relationships concerning a larger group.

2.3. The Concept of Financial statements
In the words of Alexander, Briton and Jirissen (2005), financial statement is a written report which quantitatively describes the financial health of a company which includes balance sheet, statement of income and cash flow statement. International Financial Reporting Standard (IFRS) (2014) defines financial statement as a formal record of the financial activities of a business which include a balance sheet, an income statement and a statement of cash flows.

Haruna (2013), maintained that the financial information of any company is contained in its financial statements and accounting reports just as the Bio data of anyone is embedded in the person's curriculum vitae. This information is required to predict, compare and evaluate company's performance and to assist in economic decision making. Financial statements are prepared from accounting records maintained by the company ensuring that Generally Accepted Accounting Principles (GAAP) is followed to achieve some objectives. Odia and Ogiedu (2013) agreeing with the position of Haruna (op. cit) posits that corporate financial statement is the tool for reporting and communicating financial performance position and change in financial position of an enterprise as this enables users to make informed economic decision. Revsine, Collins and Johnson (2005) assert that financial statements are indispensable for developing an accurate profile for ongoing performance and prospects. If you want to know more about a company, its past performance, its current health, and its prospects for the future, the best source of information is the company's own financial statements.

2.4. The Concepts of Banks
Banks can be defined as an establishment authorized and licensed by a government to accept deposits from client, pay interest, clear checks, make loans, act as an intermediary I financial transactions and provide other financial services to its customers (Business Dictionary. Com, 2015). The banks in this context is specifically commercial banks which can be seen as a financial institution that provides service, such as accepting deposits, giving business loans, mortgage lending, and basic investment products like savings account and certificate of deposit, (Investopedia, 2015, Oxford Dictionary of Accounting, 2005). Nigerian Banks in the context of this paper refers to the commercial banks that are operating in Nigeria as a nation.

2.5. The Perceptions of the General Public about Financial Statements of an Entity
Whenever financial statement is prepared, it is intended to illuminate and inform the users in all ramification of decision making. Unless these statements are relied upon, it may not serve the intended purpose of preparing and presenting financial statement which act as an analytical tool, management report card, early warning signal, basis for prediction and a measure of accountability (Revsine, Collins and Johnson, 2005).In the same vein, Enofe, Aronmwan and Abadua (2013), concurred that for users to make quality decisions, the financial statements should be credible. For the financial statements to be credible and relevant for decision making, Generally Accepted Accounting Principles (GAAP) must be adhered to in the preparation of such financial statement.

Ruland (1984) opined that companies generally prefer to report a steady trend of growth in profit rather than to show volatile profits with a series of dramatic rises and falls. This is achieved by making unnecessary high provisions for liabilities against assets values in good years so that these provisions can be reduced, thereby improving reported profits in bad years. Advocates of this approach argue that it is a measure against the "short termism" of judging an investment on the basis of the yield achieved in the immediate following years. It also avoids raising expectations so high in good years that the company is unable to deliver what is required subsequently. Whatever this principle entails, the shareholders and other stakeholders who are not part of the conspiracy will definitely be misled, misinformed and be left at a dark.

The recent collapse of corporate bodies such as Enron in the United States and some failed commercial Banks such as Intercontinental Bank in Nigeria even when their financial statements present bills of clean record speak volumes and is confusing. Moreover, evidence from the recent Nigerian Deposit Insurance Commission (NDIC, 2003) report regarding incessant fraud in the banking as well as non – banking industries regardless of the facts that the financial statement of such corporate bodies had shown a "true and fair view" reveals an upward phenomenal trend. These and many more cases have turned the mind of the shareholders and other relevant stakeholders away from relying on the validity and truthfulness of the financial statements of an entity which is meant to showcase the stewardship of the management. It is perhaps in line with this assertion that Haruna, (2013) opined that the posture of the users of financial statement recently has assumed a pessimistic undertone because the information contained therein do not seems to portray the economic reality of the day consequent to creative accounting which structures transactions to alter financial reports to

mislead stakeholders about the economic performance of the organization. Ekwe (2013) also maintained that there is a general belief that published financial statements in this millennium have failed in its responsibilities of proving credible information for investors and other users of financial statements. From the forgoing, it is expedient to note that though hope seems to have been lost on the financial information contained in the financial statement perhaps because decisions predicated on it do not yield the expected accompanying result, yet financial statement still remain the best option for communicating information regarding the performances of an enterprise for effective and efficient decision making.

2.6. The Effects of Financial Statements on the Users

Every company and establishment issues financial statement at the end of each accounting year and the documents provides summary of assets and liabilities and revenues and expenditure by the enterprise during the period under review. This statement provides and enhanced perspective on the financial health of the company and a great deal of opportunities for adequate economic decision making and informed judgment. According to Iyoha and Faboyede (2011), Financial statements apart from stating the financial position of an organization, provides other information such as the value added, changes in equity if any and cash flows of the enterprise within a defined period of time to which the financial statements relate. In the words of Haruna, (2013), the effects of financial statement on the users can be conveniently discussed in line with the multifarious users of financial statement. This is documented as follows:

2.6.1. Shareholders

Arthur (2005), observed that financial statement have a drastic effect on the investors as it is used as a yardstick for making investment decision. Owners of the enterprise are the most interested users of financial statement because it removes uncertainty associated with businesses that believes on the future. Financial statement reveals the capital utilized in the business and the revenue so generated.

2.6.2. Management

The management of the company is interested in all aspect of the financial analysis as their aim is to ensure the overall financial successes of the firm. They monitor and compare actual performance with planned so that necessary corrective actions are taken where there is variation. Financial statements have very critical impacts on the management of the enterprise for prediction and forecasting and to take decision that improves the profitability of the company.

2.6.3. Employees

The financial statement of an enterprise make indelible marks on the employees because it assists them obtain information about the financial position and profitability of the company as these would influence the trade union negotiations and demands for improvement in employees' remuneration and conditions of service.

2.6.4. Lenders/ Creditors

These categories of users are interested in both the company's profit and cash flow. The lenders require financial statement for review before giving loan facilities to the firm. The financial statement helps creditors to know whether the company has the capacity to pay back its debts as at when due or not, it also reveals clearly the level of gearing of the enterprise in its capital structure. Thus, financial statements have appositive impacts on the lenders since it helps to lends to clients that can pay back at the maturity period.

2.6.5. Government Agency

These categories of usersrely on the information contained in financial statement for the purpose of assessing tax liability of the company, for national planning and for regulatory purposes. Government agency that utilizes financial statements include Federal Inland Revenue Service (FIRS) for the purpose of assessing individuals and corporations to tax, Bureau for Federal Statistics make use of financial statement to build data bank for the entire nation, etc.

2.6.6. Financial Analyst

Financial analyst refers to category of experts who specialized in revising and examining financial statements in the light of advising their clients or their employer on what decisions to take in relation to the company under consideration(Igben,2009).

2.6.7. The General Public

The general public is one category of the users of financial statements who uses this document for multipurpose according to the divergent needs of the section of the populace that they belong to. This group range from prospective investors who is deciding to make investment, the student who uses the financial statement for academic purpose, their competitors who uses the financial statement for comparative analysis and any other group not mentioned above form part of the general public (Haruna, 2013).

2.7. The Methods of Analyzing Financial Statement of an Entity

 Evaluating the performance of a firm requires a systematic collection and review of financial information which are provided by financial statements. The most commonly analyzed statements by the users include balance sheet, income statement and cash flow statement.

Finn (2010) and HANRC (2011) identify three methods of analyzing financial statement which include: Horizontal analysis, Vertical analysis, and Ratios analysis. In another dimension, Revsine et al (2005) identified three financial analysis tools to include common size statements, trend statements and financial ratios. Jeremy (2014) and Ozyasar (2010) observed that there are four major techniques of analyzing financial statements of any organization under consideration; these include: Horizontal analysis, Vertical analysis, Trend analysis and Ratios analysis. From the foregoing, the following techniques are revealed to be used for analysis of financial statement:

2.7.1. Vertical Analysis

Vertical analysis is a method of analyzing the financial statement of an enterprise by expressing items on the financial statement as a percentage of another item on the statement. For instance, in the income statement, all items are expressed as a percentage of net sales. This implies that cost of sales, cost of goods sold, overheads and other items are reported as percentage of net sales. This type of analysis is of great significance in carrying out the decision making process especially when the data relate to one specific period.

2.7.2. Horizontal Analysis

Horizontal analysis is another technique of analyzing financial statement which usually involves financial results over a certain periods of time, normally two years. With this, a change in financial data is known with adequate comparison.

2.7.3. Common Size Statements

This is another means of analyzing financial statement in which the entire item contained in the statement are recast as a percentage of sales.

2.7.4. Trend Analysis

Trend analysis compares the firm's performance during the most recent economic activities covering the recent period to its past economic activities with changes expressed in percentages. The trend is actually a continuation of horizontal analysis in which three or more financial statement periods are reviewed using the base year number which represents the earliest year data provided in the data set.

2.7.5. Ratios Analysis

Ratios show the relationship between two or more items. Accounting ratios therefore expresses the relationship between one item and another in the financial statements in the form of a coefficient, percentage, proportion or rate. It is the most potent and powerful of all the tools used in the analysis and interpretation of financial statement. It is used as a bench mark for evaluating the performance of a company because the accounting figures reported in the financial statements do not allow for any meaningful understanding of the performances and financial position of the companies unless the lay man is taken beyond the figures via analysis and interpretation to add value. Hamid (2005), observed that ratios analysis direct attention to areas where there are inefficiencies for corrections.

2.8. The Limitations of Financial Statements

Pandey (2005), Akinsulire (2011), and Yadalam (2010) agreed that one of the limitations of financial statement is that it is prepared on going concern basis while company may fold up any moment after the financial statement date. This is because the financial statement concentrates on the efficient performance of the enterprise and it does not provide for its innovation quotient which is the direct function of time and resources spend on research and development. It is worthy of note that financial statements are prepared on historical cost value and does not reflect the economic realities of the day. In this case, the original cost of the assets for which they were bought are maintained in the books which are used for preparing financial statement and this makes its impacts on the financial statement so negligible since it cannot be used as a basis for purchasing a brand new items of fixed assets.

In another development, the application of accounting concepts and conventions may not be the same from organization to organization. This is predicated on the facts that Generally Accepted Accounting Principles (GAAP) allows the management of the company to choose and apply accounting basis and concepts to be adopted in a given organization which must be consistent in nature; this liberty gives room for variation which makes comparison difficult. In the same vein, comparability of accounting values may also be impaired where different accounting policies and bases are employed at different times even by the same organization (Aborode ,2005).

Moreover, because financial statements are prepared to show true and fair view, the actual figures that relates to the transaction may not be shown in the financial statement. In addition, financial statement only displays monetary facts or quantitative economic values and non-monetary and quantifiable facts can only be disclosed in the notes to the financial statement. Whereas qualitative attributes such as the morale of the employee force or the quality of the management team are some of the critical factors that are relevant to the decisions and judgments that the financial statement user is making. The current accounting process has no way of measuring the value of these intangible assets despite the facts that human resources are the most valuable assets in the organization.

3. Methodology

3.1. Study Area

This research work was carried out in Jalingo Metropolis of Taraba State. Jalingo as the capital city of Taraba state lies on latitude 8o61" N and longitude 11o25" E. The city shares common boundaries with Law and Yorro LGAs in the North and Ardokola LGA in

the South. The major ethnic groups in Jalingo metropolis are Jukun, Fulani, Kona, Mumuye, Wurkun and Kuteb. The state was created on 21st August, 1991, it covers a land area of 59400 sq km, comprised sixteen local government area and lies roughly between latitude 6.3N and 9.66N and longitude 9.10E and 11.50E. It is bounded by Bauchi and Gombe states in the North East and Adamawa on the East, by Plateau state in the North West. The state is further bounded to the West by both Nasarawa and Benue states, while it shares international boundary with Republic of Cameroun to the South and South East. According to the 2006 Census figures released by the National Population Commission (NPC, 2007) the state has about 2,300,736 populations.

3.2. Research Design
This project work employed survey designed to assess the impact of financial statement on the general public. This method was used because as observed by Babbie, (1973) who maintained that survey method is probably the best method available to a social scientist interesting in collecting original data for describing a population too large to observe directly. Survey designed was used because Adefila, (2008) opined that survey research is the type of research that is based on information gathered through questionnaires, interviews, rating scales, inventories, self-report and observation and this study intends to use questionnaire to solicit data from the respondents.

3.3. Study Population
The population for this study includes the staff of First Bank of Nigeria PLC, Zenith Bank PLC, Guarantee Trust Bank PLC, and Unity Bank PLC as shown in the Table 1.

S/ NO	Name of Institution	Respondents
1	First Bank of Nigeria PLC, Jalingo Branch	30
2	Zenith Bank PLC, Jalingo	50
3	Guarantee Trust Bank PLC, Jalingo Branch	30
4	Unity Bank PLC, Jalingo Branch	20
	Total	130

Table 1: Break down of the Study Population
Source: Field survey, 2015

3.4. Sampling Size
For the purpose of this work, one hundred questionnaires which formed the sample size were administered in the following order:

S/No	Name of Institution	Respondents
1	First Bank of Nigeria PLC, Jalingo Branch	25
2	Zenith Bank PLC, Jalingo	20
3	Guarantee Trust Bank PLC, Jalingo Branch	25
4	Unity Bank PLC, Jalingo Branch	30
	Total	100

Table 2: Break down of sampling size
Source: Field survey, 2015

3.5. Sampling Technique
Sampling was used because it reduces cost, has greater speed, greater scope and more accurate because the data is easier to manage, (Osuala, 2007, Ogboru, 2007). Thus, the study used simple random sampling in selecting the organizations it intends to consider for administration of questionnaires. In the context of this project work, one hundred questionnaires were administered as a representative of the entire population.

3.6. Sources of Data
This study used primary data to obtain firsthand information. Secondary data was also utilized to augment the primary data.

3.7. Methods of Data Collection
Primary data for this research work was obtained through questionnaire to realize the objectives of the study while the secondary data was collected through documentary sources such as text books, newspapers and magazine, journals, unpublished materials and internet.

3.8. Methods of Data Analysis
The researcher used both descriptive and inferential statistic to analyze the data intended for this research work. The descriptive statistics consists mainly of tables, percentages whereas, Analysis of Variance (ANOVA), an inferential statistic was employed to test the data collected and hypothesis formulated.

3.9. Data Presentation and Analysis
This chapter deals with the presentation and analysis of data obtained through questionnaire. The questionnaire was divided into two parts namely; demographic and topical data. The demographic data relates to the respondents whereas the topical data deals with the subjects of the research under consideration. The questionnaires were structured in a five points Likert scale in the order of strongly agreed (SA), Agreed (A), Undecided (U), Disagreed (D), and strongly disagreed (SD) to solicit meaningful information from the respondents in an organized way.

3.10. Response Rate
This aspect of the study deals with the number of the respondents that participated actively in answering and submitting the questionnaires administered.

S/NO	Name of Institution	Respondents	Response Rate	Percentage
1	First Bank of Nigeria PLC, Jalingo Branch	25	23	24
2	Zenith Bank, Jalingo	20	20	21
3	Guarantee Trust Bank PLC, Jalingo Branch	25	25	26
4	Unity Bank PLC, Jalingo Branch	30	28	29
	Total	100	96	100

Table 3: Breakdown of the Rate of Response
Source: Field Survey, 2015

It is worthy of note that 96 out of 100 questionnaires administered were retrieved representing 96% response rate. 24% of the respondents were from First Bank of Nigeria PLC, 21% were from Zenith Bank, Jalingo, 25% were from Guarantee Trust Bank PLC while 30% were from Unity Bank PLC, Jalingo. The totality of the presentation is partitioned into Demographic data, topical data and discussion and Findings.

3.11. Presentation of Demographic Data
This part of the research explains information that relates to the respondents for the purpose of this work which is shown in tables 4 to 10

AGE	FBN	Zenith Bank	GTB	Unity Bank	Frequency	Percentage
Btw 20	2	1	3	4	10	10
21-30	9	13	6	9	37	39
31 – 40	9	4	8	9	30	31
41 and above	3	2	7	7	19	20
Total	23	20	24	29	96	100

Table 4: Age distribution
Source: Field Survey, 2015

Table 4 shows that 10% of the respondents are between the ages of 20, an overwhelming 39% are between the ages of 21-30, 31% are between the ages of 31 - 40 and 20% are between the ages of 41 and above. This indicates that the employees in the studied Banks and Government organizations are mostly of middle age with energy to meet with the demand of their organizations.

Sex	FBN	Zenith Bank	GTB	Unity Bank	Frequency	Percentage
Male	15	16	18	22	71	74
Female	8	4	6	7	25	26
Total	23	20	24	29	96	100

Table 5: Sex Distribution
Source: Field Survey, 2015

From Table 5, the highest proportion of the respondents, that is 74% were male while 26% were female. This indicate clearly that the male participates more in Banks than the female counterpart.

Status	FBN	Zenith Bank	GTB	Unity Bank	Frequency	Percentage
Single	8	9	12	9	38	40
Married	11	10	9	18	48	50
Divorced	2	1	2	2	7	7
Widowed	2	0	1	0	3	3
Total	23	20	24	29	96	100

Table 6: Marital status
Source: Field Survey, 2015

Considering marital status, Table 6 indicates that majority of 50% of the respondents are married, 40% are single while 7% are divorced and 3%widowed.

	FBN	Zenith Bank	GTB	Unity Bank	Frequency	Percentage
Primary / informal	3	4	2	2	11	12
Secondary	8	12	4	6	30	31
OND/ NCE	8	2	11	12	33	34
Degree and above	4	2	7	9	22	23
Total	23	20	24	29	96	100

Table 7: Education
Source: Field Survey, 2015

Table 7 clearly shows that overwhelming majorities of 34% of the respondents holds OND/NCE, 31% are secondary school leavers, and 23% of the respondents are graduates whereas 12% holds primary / informal education. This was sought for in order to know the level at which the questionnaire would be read and understood.

Years	FBN	Zenith Bank	GTB	Unity Bank	Frequency	Percentage
0 -10	8	7	10	6	31	32
11 – 20	9	9	5	11	34	35
21 – 30	4	2	6	10	22	23
31 and above	2	2	3	2	9	10
Total	23	20	24	29	96	100

Table 8: Years of working experience
Source: Field Survey, 2015

Table 8 indicate that greater portion of the respondents of about 35% have 11-20 years working experience, 32% have 0-10 years' experience, 23% have 21-30 years' experience and 10% have 31 years and above working experience. This reveals that the vast proportion of the respondents gave opinion from their experience.

Enterprise/ position	FBN	Zenith Bank	GTB	Unity Bank	Frequency	Percentage
Management	3	2	5	5	15	16
Senior staff	3	5	9	8	25	26
Junior staff	13	6	6	10	35	36
Casual Staff	4	7	4	6	21	22
Total	23	20	24	29	96	100

Table 9: Position /cadre
Source: Field Survey, 2015

Table 9 shows that 16% of the respondents are management staff, 26% are senior staff, 36% are junior staff and 22% are casual staff

3.12. Presentation of Topical Data
This part of the study analyses information that relates to the core subject of the research work.

	Public perception about the financial statement of an enterprises	SA	A	U	D	SD	Total
A	In preparing financial statement, Generally Accepted Accounting Standards are being observed.	26	22	13	19	16	96
B	The content of financial statements provides enough information one need to make investment decision	34	19	14	19	10	96
C	Financial statement put into consideration other accounting constituents in preparing them	16	11	32	21	16	96
D	Financial statement conveys the true economic reality of the enterprise	24	18	12	18	24	96
E	Financial statements are designed via window dressing	24	16	16	16	24	96
Total		124	86	87	93	90	480

Table 10: ANOVA Test for Hypothesis I
Source: Field Survey, 2015

Applying ANOVA statistical tool yield the following result:

Source	SS	Df	MS	F-ratio	Remark
Between	202	4	50.5		
				0.37	Accept
Within	2762	20	138.1		
Total	2964	24			

Table 11: ANOVA Summary Table
Source: Field Survey, 2015

Looking at F – distribution table, we find that at $0.05F_{4,20}$= 2.87. The calculated value is 0.37 while the critical value (table value) is 2.87. Since the critical table value is greater than the calculated value, the null hypothesis which states that the perceptions of the general public do not make any significant impact on decision making is accepted.

	Impacts of Financial statements on the General Public	SA	A	U	D	SD	Total
A	Comparison between companies may be impaired when different accounting policies are employed in preparing financial statements	18	26	19	22	11	96
B	Financial statements provide the opportunities to make economic decisions and informed judgment	15	24	14	19	24	96
C	Because financial statements are prepared from historical records, its impacts are negligible since it cannot be used as a basis for purchasing new items of fixed assets	26	25	13	19	13	96
D	Financial statement is expected to convey the true economic reality of the enterprise	23	23	18	14	18	96
E	The recent collapse of corporate bodies in the mist of clean records pose questions on the reliability of financial statements	21	21	20	14	20	96
Total		103	119	84	88	86	480

Table 12: ANOVA Test for Hypothesis II
Source: Field Survey, 2015

Applying ANOVA statistical tool yield the following result:

Source	SS	Df	MS	F-ratio	Remark
Between	177.2	4	44.3		
				3.09	Reject
Within	286.8	20	14.34		
Total	464	24			

Table 13: ANOVA Summary Table
Source: Field Survey, 2015

Looking at F – distribution table, we find that at $0.05F_{4,20}$= 2.87. The calculated value is 3.09 while the critical value is 2.87. Since the calculated value is greater than the critical value, the null hypothesis which states that financial statement does not have any significant impact on the general public is rejected. The alternate hypothesis which states that financial statements have significant impact on the general public in Jalingo metropolis is maintained.

	These methods are used to analyze financial statements	SA	A	U	D	SD	Total
A	Vertical analysis	23	26	17	20	10	96
B	Horizontal analysis	34	19	19	10	14	96
C	Common size statement	21	32	16	16	11	96
D	Trend analysis	24	24	18	18	12	96
E	Ratio analysis	22	22	15	22	15	96
Total		124	123	85	86	62	480

Table 14 ANOVA Test for Hypothesis III
Source: Field Survey, 2015

Applying ANOVA statistical tool yield the following result:

Source	SS	df	MS	F-ratio	Remark
Between	578	4	144.5		
				26.76	Reject
Within	108	20	5.4		
Total	686	24			

Table 15: ANOVA Summary Table
Source: Field Survey, 2015

Looking at F – distribution table, we find that at $0.05F_{4,20}$= 2.87. The calculated value is 26.76 while the critical value is 2.87. Since the calculated value is greater than the critical value, the null hypothesis which states that the methods of analyzing financial statement do not have significant impact on any entity in Jalingo metropolis is rejected. The alternate hypothesis which states that the methods of analyzing financial statement impact significantly on entities in Jalingo metropolis is maintained.

S/N	Rate the effectiveness of the methods of analyzing financial statements	SA	A	U	D	SD	Total
1	Ratio analysis	36	35	7	14	4	96
Percentage		38%	36%	7%	15%	4%	100%

Table 16: Effectiveness of the methods of analyzing financial statement
Source: Field Survey: 2015

Table 16 shows that 38% strongly agreed that ratio analysis is a very effective method of analyzing financial statement. 36% of the respondents agreed, 7% were undecided, while 15% totally disagreed, 4 strongly disagreed. In conclusion, ratio analysis is an effective method of analyzing financial statement.

4. Discussion of Result
This research work formulated three hypotheses which were adequately tested using Analysis of Variance popularly called ANOVA. The result of hypothesis I shows a calculated value of 4.04 while the table value is 2.87. Because the calculated value of 4.04 is greater than the table value of 2.87, the null hypothesis which states that the perception of the general public does not make any significant impact stands rejected. The result of hypothesis II reveals a calculated value of 3.0979 and the table value of 2.87. Because the calculated value is greater than the table value, the null hypothesis which asserts that financial statement does not have any significant impact on the general public stands rejected.

The result of hypothesis III shows that the calculated value is 9.0881 while the table value is 2.87. Because the calculated value is greater than the table value, the null hypothesis which states that the methods of analyzing financial statement do not impact significantly on entities in Jalingo metropolis is also rejected. All these form the basis of decision making of the researcher.

5. Summary of Findings
This research work was carried out to evaluate public perception of financial statements of companies in Nigeria with specific emphasis on Taraba state. This study utilized First Bank of Nigeria (FBN) PLC, Zenith Bank of Nigeria PLC, Guarantee Trust Bank (GTB) PLC and Unity Bank PLC all in Jalingo covering the period of five years from 2009 to 2013.

The data employed for the purpose of this study include primary as well as secondary data. The primary data were adequately gotten via questionnaire in which one hundred questionnaires were administered. However, ninety-six questionnaires were successfully retrieved which represent 96% level of response rate. Secondary data were adequately gotten from textbooks, journals, newspapers, bulletin and official journals.

It is worthy of note that the study reveals that the organizations under review in Jalingo, Taraba state is dominated by staff along the age bracket of 21-30 years giving a score of 39% followed by the staff in the age bracket of 31-40 which scored 31%. This is a clear prove that the staff are reasonable and matured in the mind and tolerable. Besides, the study also shows that 74% of the respondents are married while 26% are not married. The study also reveals that 50% of the respondents are married and this is also a clear sign that the personnel are responsible ones. In terms of educational qualifications, an overwhelming majority of 34% holds OND/ NCE, while 31% holds Secondary certificate, 23% holds Degree certificate and above and only 12% holds First school leaving certificate. Thus, the respondent's opinion is viewed to be reliable and adequate. In terms of working experience, the majority making 35% has worked for about 11-20 years while the majority of the staff are Junior workers of about 36%, the senior staff are about 26%, while 22% are casual staff,16% are management staff.

6. Conclusion
This project work concludes that despite the diversity of information need of large numbers of users in Jalingo in particular and Nigeria in general, financial statement has made its marks. Apart from stating the financial position of an entity any specified period of time, financial statement provides other valuable information such as value added statement, changes in equity as well as cash flow statement where applicable. Financial statement has made significant impacts on the general public in Jalingo metropolis by aiding investment decision by prospective investors, helping students who uses financial statement for academic purpose and it also assist competitors to make comparison between companies.

7. Recommendations
Based on the findings, the following recommendations are made:
   i. In preparing financial statements of any organization, Generally Accepted Accounting Principles (GAAP) and other regulations should be adhered to for consistency and continuity;
   ii. Since financial statements are seen as a tool for decision making, effort should be made to ensure that it conveys the current economic reality of the day;

iii. Ratio analysis should always be adopted in analyzing financial statement because of its effectiveness.

iv. Because financial statement showcase stewardship of the management, it should be relied upon because it is still the best option for communicating financial information about the efficiency of performance and otherwise of an organization.

v. Students who may wish to carry on subsequent research on similar topic should extend the tentacle of their study beyond the circumference of one state, making it a comparative study.

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