

Assessment of Financial Reporting Qualities of Ethiopian Commercial Banks: A Comparative Study on Private and Public Banks

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Abstract: The main purpose of this study was to assess financial reporting qualities of commercial banks of Ethiopia that incorporated both private and public sectors (17 commercial banks). Mixed research approach was used and quantitative (using questionnaires) and qualitative data (using interview) data's were taken by using purposive and judgmental sampling design respectively. A questionnaire with five Likert scale for the survey which is mainly used for quantitative part and semi-structured interview guide for the qualitative were used as data collection tools. SPSS version 20 for windows was employed to perform statistical analysis and findings were displayed using tables and pie-charts. In order to investigate the findings, the study tried to assess the qualities of those targeted banks financial report depending on fundamental (relevance and faithfulness) and enhancing (understandability, comparability and timeliness) qualitative characteristics of accounting information. Accordingly, survey results showed that the qualities of financial report of privates sector banks is relatively moderate than the public sectors banks. Recognizing the weakness of both sector banks financial report qualities, the researcher would like to recommend that it's better if private and public sector banks of Ethiopia shall recognize the above mentioned characteristics of accounting information system for improving their qualities of financial report.

Keywords: Comparability, Faithfulness, Relevance, Understandability, Timeliness

1. Introduction

According to NiCE (Nijmegen Center for Economics) Working Paper [11], the primary objective of financial reporting is to provide high-quality financial reporting information concerning economic entities, primarily financial in nature that is useful for economic decision making [2; 4]. Providing high quality financial reporting information is important because it will positively influence capital providers and other stakeholders in making investment, credit, and similar resource allocation decisions that could enhance the overall market efficiency [3].

And also financial report is not only a final output; the quality of this process depends on each part, including disclosure of the company's transactions, information about the selection and application of accounting policies and knowledge of the judgments made[6]. Financial information issued by a company has become an essential resource for

any market participant, since it provides a reduced amount of information asymmetries between managers, investors, regulatory agencies, society and other stakeholders.

When we come to the qualities of firm's financial report, the quality of financial statements is not an indicator that can be easily quantified and it cannot be observed directly, it being based on the perception of the users of financial information. Each category of users has its own expectations and perceptions regarding what information is useful and of good quality because different users groups will have dissimilar preferences, the perceived quality will deviate among constituents.

Despite the degree of firms financial reports qualities deviates among the users [8] showed that in order to have a certain degree of quality, financial statements should meet certain qualitative criteria. These criteria are stated by boards of IASB and FASB in their conceptual frameworks, where they conclude that high quality is achieved by adherence to

the objective and the qualitative characteristics of financial reporting information [4]. To achieve these qualities, the IASB and FASB commission stresses that the financial statements must reflect the specific characteristics called accounting information characteristics as defined by the Conceptual Framework exposure draft [4] so that the information which is provided is useful.

Here again the objectives established by the FASB and IASB [2] were as follows: Financial reporting should provide information that is useful to present and potential investors and creditors and other users in making rational investment, credit, and similar decisions. And also the information should be comprehensible to those who have a reasonable understanding of business and economic activities and are willing to study the information with reasonable diligence. Accordingly financial reporting should provide information to help present and potential investors and creditors and other users in assessing the amounts, timing, and uncertainty of prospective cash receipts from dividends or interest and the proceeds from the sale, redemption, or maturity of securities or loans.

In addition to what highlighted ideas, according to the finding of [9], financial reports can only be regarded as useful if it represents the “economic substance” of an organization in terms of relevance, reliability (faithfulness), comparability, understandability, timeliness and it simplifies interpretation of accounting numbers [7]. Particularly the qualitative characteristics of accounting that used to measure the qualities of firms financial reports are divided into fundamental and enhancing just ED [4]. Those fundamental characteristics are relevance and faithful representation and the other enhancing characteristics are the comparability, understandability and timeliness.

Not only this the emphasis of financial report is giving transparent financial information and not to mention the importance of financial report [15]. When Assessing the qualities of financial report, timeliness is evaluated using the period between the year-end and the issuing date of auditor report [12]. Not only this, faithful presentation comprised of completeness, neutrality and accuracy [14]. Finally [13] shows that having financial accounting expert on audit committees is positively associated with accuracy and negatively associated with forecast dispersion [13].

When come to the momentum of Africa countries, the qualities of their financial report appears to be much lower than that of the rest of the world [5]. Particularly in the case of in our country review on accounting standards in Ethiopia conducted by World Bank and IMF in 2007, “Reports on Observance of Standards and Codes (ROSC)”, indicated various issues in accounting standards in Ethiopia. One of the major issues is The Ethiopian Professional Association of Accountants and Auditors (EPAAA), has no legal backing and is not a member of International Federation of Accountants (IFAC).

And also again [9] showed that under that scheme the EPAAA was supposed to actively participate in the process. It could be noted that the post-1991 period brought about some

favorable conditions for the development of accounting and auditing in the country that could be exploited by aspiring professional 11 associations. However the EPAAA has not developed to a level where it can offer certification examinations.

Not only this one, the government of Ethiopia as a government has expressed an initiative to integrate the financial statements of its companies with international standards [8]. In our country most of organizations have been using GAAP for their financial reporting and right now they are adopting IFRS and among them most of the companies are financial institutions. Intention of the government to implement IFRS in Ethiopian is on share companies, including Banks and Insurance, is manifested by the issued Proclamation No. 847/2014 December 5, 2014 called “Financial Reporting Proclamation of Ethiopia” which obliges companies to follow IFRS in their financial statement presentation.

Having in mind what presented above, the primary aim of this study is to assess and describe the financial reporting quality of Commercial Banks of Ethiopia (both public and private sectors). When we come to motivation of the researcher, the critical reason that motivates the researcher to do on this study is that in Ethiopia there are rare studies done that assessed and described financial reporting qualities of financial institutions (both public and private banks). Having what aforementioned root initiation in mind, the researcher motivated to assess and describe the qualities of financial report of stated case in Ethiopia. So that, current researcher attempted to assess and describe financial reporting quality of those given case using the stated benchmarks or principles of the fundamental characteristics (i.e. relevance and faithful representation) and the enhancing qualitative characteristics (i.e. understandability, comparability, and timeliness) as defined in the ED [4].

The development of a market economy especially the financial market is asking for transparency and truthfulness of the financial information with high quality [4]. And also the information in the financial statements will impact directly and indirectly to the rights and decisions of investors. According this study, independent auditors play a role of evaluating truthfulness and reasonable financial information in enterprises.

It is the fact that, rapidly diversification of the companies on the earth implies us timely growing of the world financial transactions [10]. However, according to the finding of others even if the numbers of the companies in every countries are rapidly increasing at increasing rate, international accounting standard board recommend that as all of them that have to prepare their financial statements on single set of high quality and global standards that will result in high quality, transparent and comparable financial statements that are based on modern accounting principles and concepts that are being applied in global markets.

Here in spite of above fact, many of our world firms have been rarely preparing their financial report accordingly in line with common recommendable standards. For example,

according to [3] the potential factors that can influence financial reporting qualities are the following: management's decisions, quality of external governance mechanisms (i.e. audit quality), quality of internal governance mechanisms (i.e. quality of the board of directors), and absence of regulation as to financial reporting.

Specifically when we come to our country financial reporting system, [9] showed that as there were no specific set of national accounting regulations in Ethiopia and therefore accounting practices vary across institutions. So accordingly, I would like to conclude that as this country firms were not preparing their financial reports based on globally accepted financial reporting standards. This is indicating us as our country firms financial report qualities were not well presented.

However, now the first financial reporting federal state regulatory body Accounting and Auditing Board of Ethiopia (AABE) established by Council of Ministers Regulation No. 332/2014 pursuant to 3 article 4(1) of the Financial Reporting Proclamation No. 847/2014. According to the provision of article 3(1) of this regulation describes that "The Accounting and auditing Board of Ethiopia (AABE) is hereby established as an autonomous government organ having its own legal personality." This consists of 12 members which includes one representative from each of various Ministries. The other fact is IFRS is adopted in officially Ethiopia by December 5, 2014 through enactment of Proclamation No. 847/2014 and different firms sectors are adopting these standards in preparation of their financial reports now [9].

For certainly convincing you, there were rare studies done that assess and describe the financial reporting qualities of Commercial Banks of Ethiopia after they officially adopt IFRS (in case of private and public sectors). Considering this real gap, the current researcher would like to assess given firms financial reporting qualities by describing the obtained result.

In order to attain the desired objectives, the researcher would like to answer the following basic research questions:

- 1) Does financial information's forwarded by Ethiopian commercial banks is making a difference in the decisions made by users as capital providers (relevancy)?
- 2) Does Ethiopian commercial banks financial reports faithfully represent the economic phenomena that information purports to represent like that of annual reports must be complete, neutral, and free from material error?
- 3) Does the understandability of Ethiopian commercial banks financial report enabling their users to comprehend (understand) its report meaning?
- 4) Does the qualities of financial information's of Ethiopian commercial banks enabling their users to compare the results of current accounting period with previous accounting periods (comparability)?
- 5) Does financial information's of Ethiopian commercial banks available to decision makers before it loses its capacity to influence their decisions (timeliness)?

2. Research Design and Methodology

The purpose of this chapter is to present the underlying research methodology and the choice of the appropriate research techniques for the thesis what was adopted by researcher.

2.1. Research Design

Since this study deal with assessing the qualities, the researcher used descriptive research design due to the types and characteristics of data that researches used.

2.2. Research Approach

As per [1] there are three approaches that are used in conducting a given research. These are quantitative, qualitative and mixed research approach. Quantitative research approach focuses primarily on the construction of quantitative data, and quantitative data is a systematic record that consists of numbers constructed by researcher utilizing the process of measurement and imposing structure [9]. And also the quantitative research approach employ measurement that can be quantifiable while qualitative cannot be measured. In mixed research approach inquirers draw liberally from both qualitative and quantitative assumptions [1].

A mixed research approach; the rationale for combining both quantitative and qualitative data is to better understand a research problem by combining both numeric values from quantitative research and the detail of qualitative research and to neutralize limitations of applying any of a single approach. According to [1] the mixed research approach uses both quantitative and qualitative methods as a means to offset the weaknesses inherent within one method with the strengths of the other method.

2.3. Sources of Data

Here the researcher used solely primary data. Here the reason behind why the researcher didn't take firms financial reports for analysis is that since our country officially adopt IFRS in 2014, so that there might not require data for sufficient period that was prepared according to IFRS..

2.4. Method of Data Collection

In order to collect quantitative source of data, the researcher was used a Likert type-scale. (i.e., "Strongly Disagree (1) ", "Disagree (2)" "Neutral (3)", "Agree(4)" and "Strongly Agree") which show us the degree of agreement to which the respondents could respond and it was administered to each bank head office for the finance departments that is responsible for the preparation of their financial report. Accordingly the questionnaires were based on the measurement that being developed by Nijmegen Center for Economics. Develops the comprehensive financial reporting quality in form of index quality measurement based on IASB and FASB each qualitative characteristic such as relevance, faithfulness, understandability, comparability and timeliness.

For Qualitative Data; In addition to self-administered questionnaires, this study involved in-depth interviews with some expertise of accounting and finance department employees of given banks. The reason why the researcher

conducted interview is that it is appropriate in obtaining either multifaceted or sensitive information, as well as understanding concepts that require detail elaboration

2.5. Targeted Population

All Ethiopian commercial banks (17) registered under National Bank of Ethiopia was the target case of the researcher. As it is attached in appendix part, currently there are 1 public and 16 private banks in Ethiopia

2.6. Sample Design and Sample Size

2.6.1. Sample Design

In order to avoid biasness during data collection, the researcher used purposive sampling design. The other reason that motivates the researcher to take purposive sampling design is since the number of financial report department accountants of banks might vary from bank to banks, it's appropriate to conduct it.

2.6.2. Sample Size

When we come to sample size determination, there were 106 financial reporting expertise accountants from both sector banks. Purposely out of 106 distributed questionnaires, 88 could be completely filled and returned accordingly. So that sample size was 88 for questionnaires and the for qualitative data, researcher judgmentally selected 3 experienced expertise's accountant of 14 banks that means totally 42 data's were could be conducted through interview tool. Totally 130 data could be collected through questionnaires and interview tool.

2.7. Method of Data Analysis and Presentation

Based on the nature of the data that were collected through questionnaires and interview, the following procedures and statistical tools were employed. Data was checked for consistency and completeness on daily basis then data was coded, checked, and entered to computer. Finally, it was processed and analyzed by Statistical Package for Social Sciences (SPSS) new version 20.

- 1) To analyze the data's' that were collected from questionnaires; different kinds of descriptions were stated well based on the results of the tables, figures, mean value, percentage, and standard deviation.

$$\text{Mean for total (Mean) -----MM} = \sum M/n$$

$$\text{Mean for total (standard deviation) -----MSD} = \sum SD/n$$

Depending on aggregate mean value of result, the researcher has concluded the obtained responses accordingly.

- 2) And also the data that were collected through interviews was analyzed qualitatively by descriptive statements and using pie charts and finally its results were used concurrently to strengthen the analysis of the quantitative data that is obtained by questionnaires.

Summary, Conclusion, Recommendations And Suggestion For Further Study

This study wanted to assess the quality of financial reporting of financial institution (both public and private banks) in Ethiopia. Therefore this chapter gives the summary of the research finding, conclusions, recommendations and suggestions for further research based on the results in chapter four.

3. Conclusion

This part tried to sum up the general finding of the study. Firstly, depending on the result obtained from analysis part, there were variances on qualities of financial reporting between private versus public sectors banks of Ethiopia. As we can understand from analysis result, private's banks financial report is relatively relevant yet the public sector doesn't relevant. Secondly, when we come to faithfulness result for both sector, even if the mean value of their result showed their financial report is faithful, financial report of public sectors banks is more faithful than the private one. Thirdly, depending on the mean result of understandability assessment, the researcher could infer that financial report of stated private and public banks of Ethiopia is understandable for its users but the degree of agreement of the private respondent's one is better than the public. Fourthly, accordingly aggregate result of comparability assessment of those sector banks, the researcher could infer that both those banks financial report is comparable for their users but the private financial report is still insufficient concerning description of implications and also public sector banks financial report is not sufficiently comparable for their users especially concerning description of implications and adjustments.

The last but not least for quantitative data's analysis is summary of timeliness assessment result. Accordingly the result the researcher could generalize that financial report of given private sector banks of Ethiopia achieve the given principle of timeliness but when we see aggregate result of timeliness principle of public sector banks the researcher could infer that information's are not available to users of those banks before it loses its capacity to influence their decisions) even if external auditors sign the audit report immediately when auditing procedures are completed.

Finally, us we can understand from qualitative analysis under chapter four, the result of interview questions was supported the ideas that obtained from quantitative data. Generally, recognizing quantitative and qualitative result, current researcher would like to forward possible recommendation under part on next page.

4. Recommendations

Based on the result obtained on the qualities of financial report of Ethiopian commercial banks (comparative study on public versus private sector), the following possible recommendations would be forwarded so that it may help internal and external users of those banks financial report accordingly.

- 1) The relevance of the financial reports seems in some context appear relevant and in other context fail to be relevant (for example even if the aggregate result of private sector banks showed as their financial report is relevant yet they are not using fair value method instead of historical cost method and when come to the public sectors, generally the result obtained showed as those banks financial report is not relevant. Here, in order to overcome this limitation, it's better if private banks sector shall use fair value method instead of historical cost method. In addition, its mostly recommendable if those public sector banks shall be seriously enforced to prepare their financial report.
- 2) According to the result obtained for assessment of faithfulness principle, the researcher more agreed on the financial report of given public sectors banks are more faithful than the private one. In order to overcome this imbalance, its better if private banks of Ethiopia shall improve the faithfulness of their financial report accordingly. Here, even if the public sector banks financial report is more faithful than the private one, still they have to improve their valid arguments that support the decision for certain assumptions and estimates in the annual report and also its better if those sector shall provide comprehensive description on corporate governance that show completeness, verifiability, and free from material error.
- 3) When we come to assessment of understandability principle, the financial report of both sectors of commercial banks are understandable for their users however at same time their specific result indicate that as public sector banks financial reports haven't clear graphs and tables that clarifies the presented information in their company annual report that increase comparability and understandability of the financial reports. Having this limitation in mind, the researcher would recommend as those public sectors banks of Ethiopia should have clear graphs and tables that easily understandable for their users.
- 4) Accordingly aggregate result of comparability principle obtained, financial report of given private and public sector banks of Ethiopia is comparable for their users. However, specifically the result indicates us as given public sectors have its own limitation concerning on brief description of implications and adjustments of their financial report. So it's attractive if public sector banks try to briefly describe the implication and the actual adjustments occurred.
- 5) Depending on aggregate result of timeliness principle obtained, the researcher could generalize that financial report of given private sector banks of Ethiopia achieve the given principle of timeliness. However, for those public sectors banks, information's are might not available to users before it loses its capacity to influence their decisions) even if external auditors sign the audit report immediately when auditing procedures are completed. In order to prepare qualified financial report, public sectors banks of Ethiopian should give information's to their users before it loses its capacity to influence their decisions.
- 6) Firstly when we come to the interview result for first question, the researcher could infer that the absence of different the updated reporting standards, frameworks and other trainings could directly and indirectly affecting the financial reporting qualities of those banks (both privates and public sectors). So that, in order to overcome this limitation, it's better if accounting and finance department of given sector follow timely released accounting reporting standards, frameworks and should share experience from each others.
- 7) Secondly depending on interview result for second question, even if IFRS is adopted in Ethiopia officially in December 5, 2014 through enactment of Proclamation No. 847/2014, both sector respondents showed that as their firm are not completely adopt this standard for preparation of their financial report. Having this enforcement gap, the researcher would like recommend that it's better if both sectors shall certainly adopt IFRS and started to prepare their financial report using it.
- 8) Thirdly depending on interview result for third question, both sector respondents had strongly agree as the following factors could affect the qualities of banks financial report: absence of IFRS qualified expertise, absence of experience sharing from foreign developed international banks, management decisions, quality of internal governance mechanisms (i.e. quality of board of director), regulation as to financial and also occupational qualification, legal environment, degree auditor of independence and quality control system of audit firm. In order to overcome those listed factor and improve their financial report qualities, those sectors should do and lower the effect of those listed factors.
- 9) Finally, depending on the last but not the least interview result, the researcher would like to recommend its better if the concerned body of Ethiopia government shall seriously organize and encourage different trainers firms like that of AABE that can train institutions there in Ethiopia as they be able to present their financial statement on a single set of high quality and global standards, transparent and comparable financial statements that are based on modern accounting principles and concepts that are being applied in global markets. And also it's recommendable if national bank of Ethiopia shall timely prepare various seminars on preparation of financial report by developing common principles for both private and public sector banks of Ethiopia.

5. Suggestion for Further Study

The present study simply assessed and described the qualities of private and public sectors of Ethiopian commercial banks. According to the result obtained, the majority of the respondents showed as their firms are not completely adopt IFRS now. This was the one of the difficulty to assess given firms financial report using IFRS right now. So that considering this gap in mind, it's better if coming

researchers able to study the effect of IFRS on financial reporting qualities or the same study on Ethiopian commercial banks after complete adoption of IFR

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Appendix

Appendix One

ENGLISH VERSION
WOLAITA SODO UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
DEPARTMENT OF ACCOUNTING AND FINANCE
POST GRADUATE STUDIES

Dear respondents:

My name is Sitota Getachew Bakare. I am conducting the research for specialization in MSc (Master of Sciences) by Accounting and Finance at Wolaita Sodo University. The title of my study is "Assessment of Financial Reporting Qualities of Ethiopian Commercial Banks (both private and public sector). This is a questionnaire designed to collect data which will be used as an input for a thesis in a partial fulfillment of Msc in Accounting and Finance. Your genuine response is solely used for academic purpose and I would like to assure you that the information you provide will be accessible only to the investigator. Your involvement is regarded as a great input to the quality of the research results. Hence, I believe that you will enlarge your assistance by participating in the study.

Your honest and thoughtful response is invaluable

Thank you for your participation

Kind regards,

For Your Comment, You Can Contact the Researcher Via:

Phone No: +251-917-698-554

Gmail:kenagetach@gmail.com

Section one: Respondents Profile

Dear respected respondents put a mark (✓) in the box what you need to choose.

1. Gender

Male

Female

2. Age Category

20-29

30-39

40-49

Over 50

3. Monthly income

Less than Br 2,000

Br 2,000 to 3,999

Br 4,000 to 5,999

Br 6,000 to 7,999

Br 8000 to 9,999

Over Br 9,999

4. Educational Qualification

Certificate + experience
 Diploma + experience
 BA Degree
 Masters and above
 CPA/ACCA

Section Two

Questions related with the conceptual Framework for Financial Reporting.

Direction: For the following questions five options are provided that shows the level of your agreement or disagreement to the given statement.

[Key: 1=strongly disagree, 2= disagree, 3= neutral, 4= agree, 5= strongly agree]

A)Relevance Related concept

1. The presence of the forward looking statement helps forming expectations and predictions concerning the future of your company? – Predictive value
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
2. The presence of non-financial information in terms of business opportunities and risks complement the financial information which helps developing expectations? - Predictive value
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
3. Does your Company use fair value instead of historical cost? – Predictive value
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
4. The reported results of your bank provide feedback to users of the annual report as to how various market events and significant transactions can affect the company? -Confirmatory value
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree

B)Faithful Representation Related Concept

1. Valid arguments are provided by your bank to support the decision for certain assumptions and estimates in the annual report? – Verifiability
 1. Strongly disagree

2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
2. Your company base its choice for certain accounting principles on valid arguments (Explained why + consequences of change made)? – Verification
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
 3. Your company in the discussion of the annual results, highlight the favorable events as well as the unfavorable events? – Neutrality
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
 4. Audit report which is including in the annual report of your company is unqualified opinion: Financial figures + internal control? - Free from material Error, the verified, neutral, and complete
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
 5. Does your company provide Comprehensive description on CG (corporate governance) ? (Completeness, verifiability, and free from material error)
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
 6. The external auditors of your company are independent(both in mind and in appearance)
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree

C) Understandability Concept Related

1. Your company annual report were presented in a well organized manner?(complete table of contents, headings, order of components, summary/ conclusion at the end of each subsection)
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
 2. Additional notes to the balance sheet and the income statement of your company is sufficiently Clear?- Explanation that describes what happens
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
 3. The presence of graphs and tables clarifies the presented information in your company annual report? IASB, 2006 graphs
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
 4. The use of language and technical jargon (terminologies) in your company annual report easy to follow for yours users? IASB, 2006
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
- D)Comparability Concept Related
1. Notes to changes in accounting policies of your company annual report explain the implications of the change (Explained why + consequences) – Consistency
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree
 2. Do the notes to revisions in accounting estimates and judgments explain the implications of the revision Clear notes + implications (past)?
 1. Strongly disagree
 2. Disagree
 3. Neutral
 4. Agree
 5. Strongly agree

3. Did your company adjust previous accounting period's figures, for the effect of the implementation of a change in accounting policy or revisions in accounting estimates?

1. Strongly disagree
2. Disagree
3. Neutral
4. Agree
5. Strongly agree

4. Does your company provide a comparison of the results of current accounting period with previous accounting periods (description of implications)?

1. Strongly disagree
2. Disagree
3. Neutral
4. Agree
5. Strongly agree

E) Timeliness Concept Related

1. Does your company information's are available to users (decision makers) before it loses its capacity to influence their decisions)

1. Strongly disagree
2. Disagree
3. Neutral
4. Agree
5. Strongly agree

2. External auditors sign the audit report immediately when auditing procedures are completed? -IASB, 2008

1. Strongly disagree
2. Disagree
3. Neutral
4. Agree
5. Strongly agree

Appendix Two

The following table shows the detail list of all banks there in Ethiopia now (both Private and Public Sector).

S.N	NAME OF BANKS	Owner		No. of Branches	Establishment year(G.C)
		Gov't	Private		
1	ABAY BANK S.C			159	2010
2	ABSINIYIA BANK S.C			1996	233
3	ADDIS INTERNATIONAL BANK S.C			54	2011
4	ANBESA INTERNATIONAL S.C				
5	AWASH INTERNATIONAL BANKS S.C			191	1994
6	BIRHAN INTERNATIONAL S.C			46	2010
7	BUNA INTERNATIONAL BANK S.C			72	2009
8	COMMERCIAL BANK OF ETHIOPIA			1192	1963
9	COOPETATIVE BANK OF OROMIA S.C			190	2005
10	DASHEN BANK S.C			146	2003
11	DEBUB GLOBAL BANK S.C			32	2012
12	ENAT BANK S.C			7	2013
13	NIB INTERNATIONAL BANK S.C			98	1999
14	OROMIA INTERNATIONAL S.C			115	2008
15	UNITED BANK S.C			108	1998

S.N	NAME OF BANKS	Owner		No. of Branches	Establishment year(G.C)
		Gov't	Private		
16	WEGAGEN BANK S.C			191	2011
17	ZEMEN BANK S.C			1	2009

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