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EFFECTS OF COVID-19 PANDEMIC ON ACCOUNTING AND FINANCIAL REPORTING IN NIGERIA

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ABSTRACT: *The predicament that befell the entire world as a result of the Covid 19 has been a matter of concern researchers. This paper hereby examines the effects of COVID-19 pandemic on accounting and financial reporting in Nigeria. The objectives of this paper are to ascertain the differences between the published financial reporting before and during COVID-19 era; determine how firms in Nigeria reported events after the reporting period during the COVID- 19 era as recommended by the Financial Reporting Council; ascertain the extent to which COVID-19 affects the going concern of firms in Nigeria; determine how COVID-19 affects the interim financial reporting affected; and to examines how firms in Nigeria reported changes in expected credit losses for financial assets as stated in the guideline recommended by Financial Reporting Council during COVID-19 era. The study employs cross-sectional approach where data were collected at a particular point in time from different companies. Secondary financial data was collected from multiple sample sources to ensure a fair representation, namely: The Manufacturing sector, financial sectors and conglomerates of the Nigerian economy. Independent t-test and Logit Binary Regression Model was employed to test the hypotheses of the study using SPSS version 25. This paper revealed that there is significant difference between the published financial reporting before and during COVID-19 era; COVID-19 has significant effect on the events after the reporting period, going concern of firms in Nigeria, interim financial reporting, and COVID-19 has significant effect on changes in expected credit losses for financial assets. Arisen from the findings of this study, this paper recommended that management of industries should embrace all the COVID-19 precautions, and government should salvage this devastating effect of COVID-19 by channelling more funds to the sectors affected by the pandemic.*

KEYWORDS: accounting, COVID-19, financial reporting, pandemic

INTRODUCTION

The World Health Organization (WHO) declared Corona Virus (COVID-19) to be a public health emergency on January 30, 2020. As at March 31, 2020, almost the whole of Pakistan is in some state of lock down. The federal and state governments and other federating units have implemented various measures to contain the spread of the COVID - 19, including restricting the flight operations at the airports, curtailing intercity movements through buses and trains, temporary closing of businesses, schools etc.

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Following this WHO declaration, the Coronavirus Preparedness Group was constituted on January 31 in Nigeria, a country WHO categorized as one of the high-risk African countries with respect to the spread of COVID-19. Nigeria is also among the vulnerable African nations, given the weak state of the healthcare system (Marbot, 2020).

The first case was confirmed in Lagos State on 27 February 2020. This index case was a 44-year-old man, an Italian citizen who returned from Milan, Italy, on 24 February and presented at a health facility on 26 February 2020 (NCDC, 2020). According to (Ajisegiri, Odusanya & Joshi, 2020), the country has continued to experience an increase in the number of cases, which has spread across several states. While majority of the initial cases were imported, most of the new cases have no travel history or contact with such people. This is highly suggestive of ongoing community transmission.

Statement of problem

COVID-19 had created great impacts such as business and production disruptions, supply-chain interruptions, volatility in the equity and debt markets, reduced revenue and cash flows and other economic consequences also have accounting and financial implications. Other factors include, but not limited to:

i. Reduced consumer demand for goods and services due to lost income and/or restrictions on consumers' ability to move freely;
ii. Disruption of global supply chains due to restrictions placed on the movement of people and goods;
iii. Lack of investment in capital improvements and construction, reducing demand for many goods and services; and
iv. Reduction in market prices for commodities and financial assets, including equity and debt instruments.

The novel coronavirus (COVID-19) outbreak is a serious and unprecedented public health threat. It has interrupted the movement of people and goods throughout the world, and many levels of government are instituting restrictions on individuals and businesses. The resulting impact on financial reporting may be significant for many of the business organisations and industries.

Financial reporting considerations of the outbreak may be similarly broad for entities, and the precise effects will depend on the facts and circumstances of each entity. As time elapses and the effects of the outbreak change and evolve, it may become difficult to distinguish which information and facts and circumstances need to be incorporated into the measurements as at the end of the reporting period and which shall result in potential subsequent event disclosures supported by several changes in estimates, assumptions and other analyses in a more descriptive manner (ICAS, 2020).

Gap in knowledge

Although researchers had written on effect of the COVID-19 pandemic, but none can be seen to the best knowledge of this research, in Nigeria except the contributions of fore running audit

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firms like Price Water House & Coopers (PWC), KPMG, and Akintola Williams & Delloitte (AWD). This paper therefore intends to provide guidance on the financial reporting considerations against the backdrop of COVID 19 on accounting considerations.

Aims and objective of the study

The main aim of the study is to ascertain the effects of COVID-19 pandemic on accounting and financial reporting in Nigeria. The specific objective are to:

1. Ascertain the differences between the published financial reporting before and during COVID 19 era.
2. Determine how firms in Nigeria reported events after the reporting period during the COVID 19 era as recommended by the Financial Reporting Council.
3. Ascertain the extent to which COVID 19 affects the going concern of firms in Nigeria.
4. Determine how COVID 19 affects the interim financial reporting affected.
5. Examines how firms in Nigeria reported changes in expected credit losses for financial assets as stated in the guideline recommended by Financial Reporting Council during COVID 19 era.

Significance of the study

This study will guide the preparers of financial statements on the treatments of financial transactions that occurred during the period of the COVID-19 pandemic, in order to avoid management of earnings on the part of the management.

Research Questions

1. Are there any differences between the published financial reporting before and during COVID 19 era?
2. Does firms in Nigeria reported events after the reporting period during the COVID 19 era as recommended by the Financial Reporting Council?
3. To what extent does COVID 19 affect the going concern of firms in Nigeria?
4. How COVID 19 does affects the interim financial reporting affected?
5. Does firms in Nigeria reported changes in expected credit losses for financial assets as stated in the guideline recommended by Financial Reporting Council during COVID 19 era?

Statement of Research Hypotheses

H_{01}: There is no significant difference between the published financial reporting before and during COVID 19 era.
H_{02}: COVID 19 has no significant effect on the events after the reporting period.
H_{03}: COVID 19 has no significant effect on the going concern of firms in Nigeria
H_{04}: COVID 19 has no significant effect on the interim financial reporting.
H_{05}: COVID 19 has no significant effect on changes in expected credit losses for financial assets.

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LITERATURE REVIEW

General Review of Relevant Literature

In the study conducted by De Vito and Gómez (2020) on how the COVID-19 health crisis could affect the liquidity risk of listed firms across 26 countries, it was found that the average firm would exhaust its cash holdings in about two years and that its current liabilities would increase beyond a sustainable level, such that an injection of about 53% of noncurrent debt (relative to the 2018 level) would be needed to prevent a liquidity crunch. They also concluded that about 1/10th of all firms would become illiquid within six months. Surakatu (2020) also dealt on COVID-19: Financial reporting implications for companies in Nigeria and concluded that COVID-19 related accounting impacts will vary based on companies' business operations and their industries.

In the study on COVID-19: A business impact series, the following key financial, tax and regulatory considerations that should be top of mind for businesses at these disruptive times were highlighted (KPMG, 2020). Furthermore, Theophilus, Ademola and Otitolaiye (2020) found that COVID-19 had a significant effect on effective tertiary, accounting education and the academic system and this can lead to dangerous social upheavals in the future, as youths' dropouts of the education system, unable to engage in actively learning could cause uncertainty about their future prospects. It also revealed that COVID-19 had significant effect on nations' economies that could lead to global economic recession and that Sub-Sahara Africa may face acute food scarcity, starvations, fiscal crisis at the federal and regional levels, and extraordinary depletion of external reserves of countries in this region. They concluded that COVID-19 could result in poor education funding and drop in the quality of accounting education in the region and that there is urgent need for more investments in the online teaching facilities at this time, to enhance students' and teachers' capacity for learning and teaching. In the publication of Financial Council of Nigeria, through the ICAN (2020), the council reiterated the need for members to obtain adequate understanding of the impact of COVID-19 outbreak on the client's reporting framework and should also assess the implications of on client's business operations and the financial reporting processes. Aifuwa, Musa, & Aifuwa (2020), concluded that coronavirus (COVID-19) pandemic harms firm performance in Nigeria, hence, recommended that the government should include private's business in its stimulus packages or palliatives programmes to keep private businesses in operation after the pandemic.

THEORETICAL FRAMEWORK

Attribution Theory

This attribute theory, developed by Heider (1958), deals with how group of individuals and group of communities interpret harmful events and how this relates to their thinking and behaviour. He stated that people react quickly to events in an attempt to determine why nations or groups of people do what they do. Heider further submitted that people can make two attributions: internal attribution, the inference that a person is behaving in a certain way because of something about the person such as attitude, character, or personality and external attribution, the inference that a person is behaving a certain way because of something about

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the situation they are in. Theophilus, Ademola and Otitolaiye (2020) argued that the relevance of attribution theory arises from the fact that the interpretation and management of COVID-19 could differ among nations. While some nations have put some drastic measures to protect their citizens, to a point of reopening schools after putting in place sophisticated control measures, others are still confused and attributing the problems to the nation of China and Covid-19 pandemic, instead of finding a lasting solution, this is blaming others and avoiding recrimination, this is rather a self-serving attribution.

Economic Power Theory

This theory developed by Salamon and Siegfried (1977), states that when countries that are endowed with industrial and economic powers are affected by crisis, the effect is likely to spread faster and at the same time affect the economies of the other countries. They stated further that larger firms and lager nations take advantages of their economic and political power to influence others, as they are capable of engaging in aggressive control drive-in all means and can manipulate the political, economic, and industrial processes in their own interest. Rego (2003) submitted that political and economies of scale can significantly affect a nations' ability to reduce their own burden for the interest of her citizens and any other nation that is economically loyal to them. The theory is related to this study considering the economic influence, China is commanding in the entire world. China directly or indirectly has an economic presence in virtually the entire world that coronavirus the pandemic that started in a city in China spread to every country in the world.

Conceptual Model

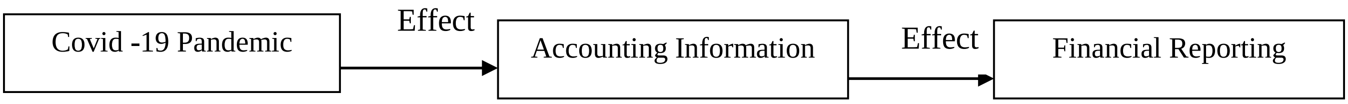

Fig. 1 Conceptual Relationship
Source: Generated by the researcher

COVID-19 pandemic

The coronavirus disease (COVID-19) is caused by a new strain of coronavirus (SARS-CoV-2) that has not been previously identified in humans. It was first reported to WHO on the 31st of December, 2019 in Wuhan, China (NCDC, 2020).Several nations and states had to declare a state of emergency due to its widespread impact. The disease has caused significant reduction in social interaction, with shutdown of public facilities and limit on physical interaction (ICAN, 2020). The COVID-19 pandemic has created new challenges for most businesses globally at unprecedented levels. From supply chain and production disruptions, workforce restrictions, travel restrictions to reduced consumer spending among other factors, businesses have experienced and are still experiencing negative impact of the pandemic which are being seen in their financial performance, revenue projections and may ultimately be expected to result in capital erosion (KPMG, 2020).

According to Rephann (2020), the pandemic has resulted in complex and unpredicted consequences in the financial institutions, educational sector, tourism and hospitality, industrial, manufacturing and transport, healthcare and pharmaceuticals, and local and

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international trade. These have resulted in massive production shutdown and supply chain disruptions due to the closures in china, causing global ripple effects across all economic sectors in a rare twin supply-demand chain shock (Eric, 2020). Measures taken to contain the virus have significantly affected economic activities and global markets, with some industries more severely impacted than others. Amidst the global pandemic that has brought the whole world to its knees and by extension affected the global markets on all fronts (ICAN, 2020).In response to this pandemic, the federal and state governments as well as the Nigeria Centre for Disease Control (NCDC) have implemented various measures to curb the spread of COVID-19 in the country. The federal and state tax authorities have implemented measures to relieve some of the burdens on taxpayers. Also, regulators such as the Central Bank of Nigeria (CBN) have developed some policy measures such as the extension of moratorium and reduction in interest rate on certain facilities amongst others to cushion the impact of the pandemic. The Financial Reporting Council (FRC) of Nigeria has provided guidance to preparers of financial statements on specific issues such as events after the reporting period, going concern, effects on interim financial reporting, changes in expected credit losses for financial assets amongst others (PwC, 2020).

Accounting information

Accounting information consists of both financial (quantitative) and non-financial information (qualitative) used by decision makers. The accounting information systems are continually evolving to meet the changing demands of their users. It is a transaction processing that captured financial data that results from accounting transactions.

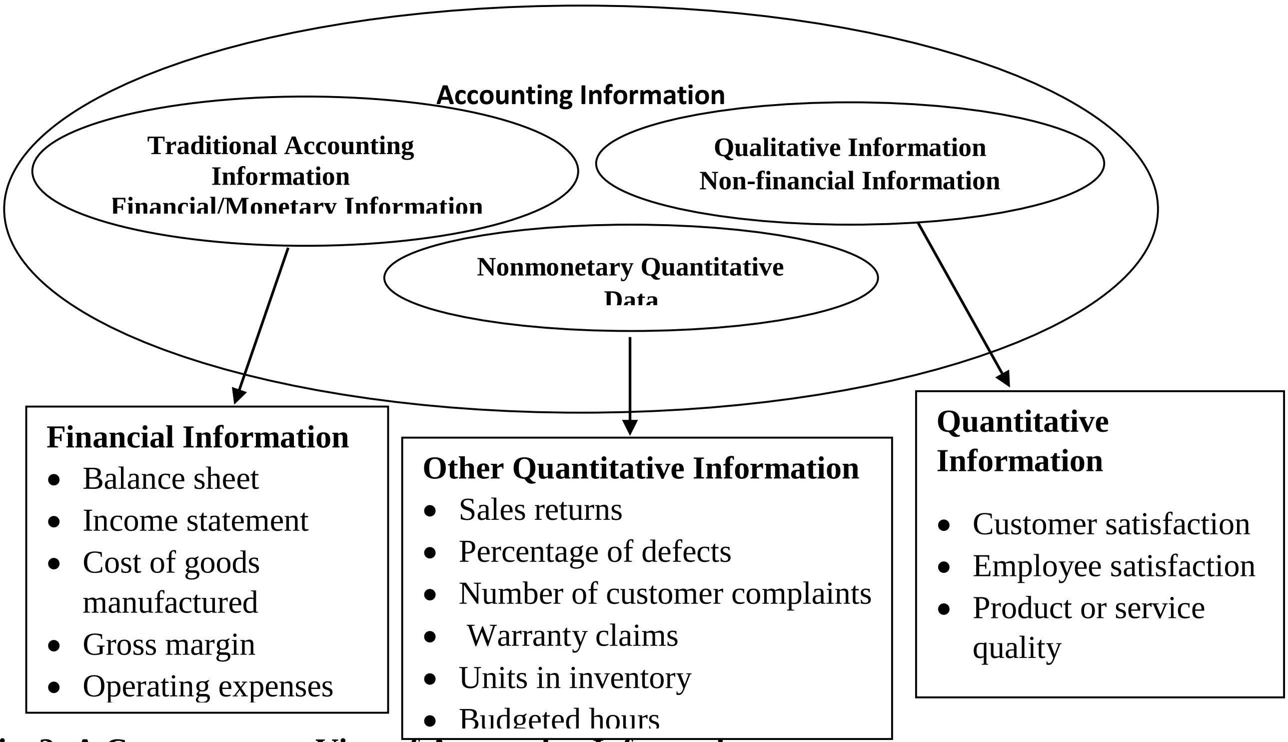

Fig. 2: A Contemporary View of Accounting Information
Source: Thomson Learning™- Accounting information

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The finance – accountant informational system facilitates the optimization of the effectiveness and efficacy of the organization, thus securing a competitive advantage. The manager's actions are orientated in four distinct directions to achieve performance: profitability, competitiveness, efficiency, and flexibility (Feies, Feies, Mates & Cotlet, 2013).

Accounting and financial reporting
These refers to the financial reporting implications of Covid-19 which will generally be applicable to all organisations to varying degrees depending on the specific transactions obtainable in each organisation. It assesses the following: its impact assessment on the system and close-the-books procedures; defining mitigation plan, where impacts exist; reflect the impact on the financial statements-in particular, whether uncertainties are factored into all the necessary estimates and judgements; and provide disclosures to enable users of financial statements understand the overall impact of the Covid-19 outbreak on the financial position and financial performance of the entity (Surakatu, 2020).

METHODOLOGY

Research Design
The study employs cross-sectional approach where data was collected at a particular point in time from different companies. This kind of research design is pre-planned and structured, and typically useful when considering more than two (2) different companies (Churchill & Iacobucci, 2004). Cross-sectional research design describes specific characteristics of the study variables, and generates data that allows for relationships or associations between two variables (Sekaran, 2000). Considering the nature of the study objectives, a cross sectional research design is found suitable to gather quantitative data, make statistical predictions and correlations of factors associated with accounting financial, financial information and COVID 19.

Data Type
Secondary financial data was collected from multiple sample sources to ensure a fair representation, namely: The Manufacturing sector, financial sectors and conglomerates of the Nigerian economy. In order to ensure that a manageable sample size is attained, three (3) top performing firms were selected among these companies (as listed on the Nigerian Stock Exchange). The sample period was for the financial year ended 31st December, 2020 which was compared with the 2019 financial reporting. Due to the very small number of observations and the narrow lockdown days during the COVID-19 pandemic. Both descriptive inferential analyses were used to analyse the effects of COVID 19 on accounting and financial reporting issues in Nigeria.

Method of Data Analysis
Independent t-test was carried out to ascertain the difference between accounting and financial reporting before and during the COVID 19 pandemic. Also, Logit Binary Regression Model was employed to determine the effect of COVID 19 on accounting and financial reporting using SPSS version 25.

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Model Specification
Independent t-test
Formula:

$$t = \frac{\bar{x}_1 - \bar{x}_2}{\sqrt{\left(\frac{s_1^2(n_1-1)+s_2^2(n_2-1)}{n_1+n_2-2}\right)\left(\frac{1}{n_1}+\frac{1}{n_2}\right)}}$$

variance

df

Whereby:
n: Sample size
s^2 = variance
$\bar{x}$:Sample mean
subscript_1 = sample 1 or group 1
subscript_2 = sample 2 or group 2

Group 1 = accounting and financial reporting before COVID 19 era (2019)
Group 2 = accounting and financial reporting during COVID 19 era (2020).

Logit Binary Regression Model
Formula for Logit Binary regression model:

$$L = ln\left[\frac{Pi}{1-Pi}\right] = \beta_0 X_i$$

Where:
L = Logit Regression
ln = Log
Pi = proper reporting of events after the reporting period, going concern, Interim financial reporting, and changes in expected credit losses for financial assets.
1 – Pi = inappropriate reporting of events after the reporting period, going concern, Interim financial reporting, and changes in expected credit losses for financial assets.
β = Beta
X = COVID 19.

Variables in the Study
Independent Variable
COVID 19: this is measured in two (2) different ways: Before COVID 19 era is ranked “0”; During COVID 19 era is ranked “1”. The reported number of cases of COVID 19 was also used as a variable to measure COVID 19.

Dependent Variable
Events after the reporting period: If reported appropriately as spelt out by the FRC guideline, it is ranked “1”, otherwise, it is ranked “0”.
Going concern: If reported appropriately as spelt out by the FRC guideline, it is ranked “1”, otherwise, it is ranked “0”.
Interim financial reporting: If reported appropriately as spelt out by the FRC guideline, it is ranked “1”, otherwise, it is ranked “0”.
Changes in expected credit losses for financial assets: If reported appropriately as spelt out by the FRC guideline, it is ranked “1”, otherwise, it is ranked “0”.

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Data Analysis

H_{01}: There is no significant difference between the published financial reporting before and during COVID 19 era.

Group Statistics

	Covid - 19	N	Mean	Std. Deviation	Std. Error Mean
Events after the reporting period	Covid Era	9	.1111	.33333	.11111
	Not Covid Era	9	.5556	.52705	.17568
Going concern	Covid Era	9	.2222	.44096	.14699
	Not Covid Era	9	.6667	.50000	.16667
Interim financial reporting	Covid Era	9	.4444	.52705	.17568
	Not Covid Era	9	.8889	.33333	.11111
Changes in expected credit losses	Covid Era	9	.3333	.50000	.16667
	Not Covid Era	9	.8889	.33333	.11111

The Independent t-test compares the means of two independent groups in order to determine whether there is statistical evidence that the variable means (published financial reporting before and during COVID 19 era) are significantly different.

The group statistics table shows the group statistics and revealed that the mean value of published financial reporting before COVID 19 era was 0.5556 while the mean value published financial reporting during COVID 19 era was 0.1111. There is a clear difference in the mean value of the mean value of published financial reporting before and during COVID 19 era in the area of reporting events after reporting period, going concern, interim financial reporting, and changes in expected credit losses.

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Events after the reporting period	Equal variances assumed	11.184	.004	-2.138	16	.048	-.44444	.20787	-.88511	-.00378
	Equal variances not assumed			-2.138	13.517	.051	-.44444	.20787	-.89178	.00289
Going concern	Equal variances assumed	10.000	.007	-2.000	16	.063	-.44444	.22222	-.91553	.02665
	Equal variances not assumed			-2.000	12.754	.063	-.44444	.22222	-.91613	.02724
Interim financial reporting	Equal variances assumed	11.184	.004	-2.138	16	.048	-.44444	.20787	-.88511	-.00378
	Equal variances not assumed			-2.138	13.517	.051	-.44444	.20787	-.89178	.00289
Changes in expected credit losses	Equal variances assumed	5.776	.029	-2.774	16	.014	-.55556	.20031	-.98019	-.13092
	Equal variances not assumed			-2.774	13.938	.015	-.55556	.20031	-.98535	-.12576

The output in the Independent Test table includes two rows: Equal variances assumed and Equal variances not assumed. If Levene's test indicates that the variances are equal across the two groups (i.e., *p*-value large), we will rely on the first row of output, Equal variances assumed, otherwise, we assume no equal variance. From Independent Test table, the p (sig.) value is .004, .007, .004, and .029 which is lower than 0.05 respectively, this hereby assumes a significant difference between the published financial reporting before and during COVID 19 era in the area of reporting events after reporting period, going concern, interim financial reporting, and changes in expected credit losses.

Since the p value is less than 0.05 (004, .007, .004, and .029 < 0.05), the researcher hereby rejects the null hypothesis and conclude that there is significant difference between published financial reporting before and during COVID 19 era in the area of reporting events after reporting period, going concern, interim financial reporting, and changes in expected credit losses.

Hypothesis Two

H_{02}: COVID 19 has no significant effect on the events after the reporting period.

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	18.644[a]	.211	.293

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	Covid19	-2.303	1.255	3.366	1	.006	.100
	Constant	1.223	.671	1.111	1	.009	1.250

a. Variable(s) entered on step 1: Covid19.

The model summary table for hypothesis two shows that there is about 21% correlation between COVID 19 pandemic and Events after the reporting period. This implies that COVID 19 pandemic has about 21% chances in events after the reporting period. This is also confirmed by the Nagelkerke R Square value of 29%. The model summary table for hypothesis two revealed that Covid 19 has negative significant effect on reporting events after the reporting date. Consequently, the Beta value of -2.303 (as shown in the variables in the equation table for hypothesis two) simply mean that Covid 19 account for a unit effect of -2.303. The p-value (.006) is less than the significant level of 0.05, therefore, Covid 19 has negative significant effect on the Events after the reporting period.

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Hypothesis Three

H_{03}: COVID 19 has no significant effect on the going concern of firms in Nigeria

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	20.992[a]	.188	.251

a. Estimation terminated at iteration number 4 because parameter estimates changed by less than .001.

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	Covid19	-1.946	1.069	3.313	1	.009	.143
	Constant	.693	.707	.961	1	.027	2.000

a. Variable(s) entered on step 1: Covid19.

The model summary table for hypothesis three shows that there is about 19% correlation between COVID 19 pandemic and going concern. This implies that COVID 19 pandemic has about 19% chances in going concern. This is also confirmed by the Nagelkerke R Square value of 25%.

The model summary table for hypothesis three revealed that Covid 19 has negative significant effect on reporting going concern. Consequently, the Beta value of -1.946 (as shown in the variables in the equation table for hypothesis three) simply mean that Covid 19 account for a unit effect of -1.946. The p-value (.009) is less than the significant level of 0.05, therefore, Covid 19 has negative significant effect on the going concern of firms in Nigeria.

Hypothesis Four

H_{04}: COVID 19 has no significant effect on the interim financial reporting.

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	18.644[a]	.211	.293

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	Covid19	-2.303	1.255	3.366	1	.067	.100
	Constant	2.079	1.061	3.844	1	.050	8.000

a. Variable(s) entered on step 1: Covid19.

The model summary table for hypothesis four shows that there is about 21% correlation between COVID 19 pandemic and the interim financial reporting. This implies that COVID 19 pandemic has about 19% chances in going concern. This is also confirmed by the Nagelkerke R Square value of 29%.

The model summary table for hypothesis four revealed that Covid 19 has negative significant effect on the interim financial reporting. Consequently, the Beta value of -2.303 (as shown in the variables in the equation table for hypothesis four) simply mean that Covid 19 account for

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a unit effect of -2.303. The p-value (.009) is less than the significant level of 0.05, therefore, Covid 19 has negative significant effect on the interim financial reporting of firms in Nigeria.

Hypothesis Five

H_{05}: COVID 19 has no significant effect on changes in expected credit losses for financial assets.

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	17.736[a]	.296	.402

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	Covid19	-2.773	1.275	4.731	1	.030	.063
	Constant	2.079	1.061	3.844	1	.050	8.000

a. Variable(s) entered on step 1: Covid19.

The model summary table for hypothesis five shows that there is about 30% correlation between COVID 19 pandemic and changes in expected credit losses for financial assets. This implies that COVID 19 pandemic has about 30% chances in expected credit losses for financial assets. This is also confirmed by the Nagelkerke R Square value of 40%.

The model summary table for hypothesis five revealed that Covid 19 has negative significant effect on the changes in expected credit losses for financial assets. Consequently, the Beta value of -2.773 (as shown in the variables in the equation table for hypothesis five) simply mean that Covid 19 account for a unit effect of -2.773. The p-value (.030) is less than the significant level of 0.05, therefore, Covid 19 has negative significant effect on the changes in expected credit losses for financial assets.

Summary of Findings

This paper revealed that:

1. There is significant difference between the published financial reporting before and during COVID 19 era.
2. COVID 19 has significant effect on the events after the reporting period.
3. COVID 19 has significant effect on the going concern of firms in Nigeria
4. COVID 19 has significant effect on the interim financial reporting.
5. COVID 19 has significant effect on changes in expected credit losses for financial assets.

CONCLUSION

The interest of this paper is to access the effects of COVID-19 pandemic on the accounting and financial reporting in Nigeria business environment. Meanwhile, COVID-19 pandemic had

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created great impacts on businesses which has caused economic consequences, having both accounting and financial implications. By testing to ascertain the difference between accounting and financial reporting, before and during the Covid-19 pandemic periods, the study established that there is significant difference between published financial reporting, before and during Covid-19 era; with a significant effect on events after the reporting period, going concern of firms in Nigeria, interim financial reporting and changes in expected credit losses for financial assets.

The paper further discovered that professional accountancy and regulatory bodies are monitoring the issues and situations, as events unfold, which might have effect on accounting and financial reporting due to the impact of COVID-19 pandemic. They continually issuing out guidelines to professional accountants in order to assist them in providing technically sound and quality service during this pandemic period.
Professional accountants, both in public and private practice, are expected to display professional scepticism and judgement, treating issues in public interest and ethical responsibilities expected of them.

Recommendations

Future research into the impact of Covid-19 pandemic on businesses should focus on establishing a clearer picture of how Covid-19 pandemic impact businesses' financial reporting after Covid-19 pandemic period. Further research needs to be carried out in order to assess the consequences of Covid-19 pandemic on financial reporting of businesses, during and after the Covid-19 pandemic era.

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