



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**Plot 91 Cadastral Zone Nnamdi Azikiwe Express Way, Jabi-Abuja**  
**FACULTY OF MANAGEMENT SCIENCES**  
**2023\_2 EXAMINATIONS**

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**Course Code:** ACC426 **Credit Units:** 3

**Course Title:** INTERNATIONAL ACCOUNTING

**Time Allowed:** 2<sup>1/2</sup>Hrs

- Instruction:**
- 1. Answer a total of FOUR questions.**
  - 2. Question one is compulsory 25marks.**
  - 3. Answer questions one and any other three 15marks.**
  - 4. Your answer must be clearly stated.**

**QUESTION 1.**

1a. There have been practical challenges over the implementation of IFRS in Nigeria as espoused by Obazee (2011) and Fowokan (2011). These challenges need to be addressed in order to benefit fully from the introduction of IFRS. Discuss five (5) of these challenges. **(10marks)**

1b. The IFRS foundation is an independent private organization that is non-profit making working in the public interest and charged with defined objectives. Discuss five (5) of these objectives. **(10marks)**

1c. The improvement project to IAS 21 removed the notion of ‘reporting currency’ and replaced it with two further definitions of currency. Identify and explain the two new definitions. **(5marks)**

**QUESTION 2.**

2a. The Financial Reporting Council of Nigeria (FRCN) was established by the Financial Reporting Council Act, 2011(Section 1) with the mandate to perform certain functions. State ten (10) of these functions. **(10 marks)**

2b. Explain the concept of Political Lobbying in Accounting Standards setting. **(5marks)**

**QUESTION 3.**

3a. However advantageous it may seem to establish Multinational companies in Nigeria yet there is litany of drawbacks for MNCs. Clearly identify ten (10) of these. **(11 marks)**

3b. Financial statements on its own do not depict the full financial health of an organization without further analysis. State five (5) techniques of analysis according to Robinson et al (2009) **(4marks)**

**4a.** There are situations where a business enters into a contract with a foreign currency and there arise the need to translate such transaction into the functional currency of the business for presentation purpose. Discuss four (4) methods of currency transaction in use. **(12marks)**

4b. Explain the meaning of “Exchange Difference” within the context of International Accounting **(3marks)**

**QUESTION 5.**

5a. As an International Accounting Student, clearly state the nine (9) steps to be taken in translating the financial statements of foreign subsidiaries. **(9marks)**

(b) State four (4) accounting issues that may constitute challenges in the process of executing a new assignment **(6marks)**

**Total 15 marks**