International Journal of Innovative Finance and Economics Research 11(2):104-113, April-June, 2023

© SEAHI PUBLICATIONS, 2023 www.seahipaj.org ISSN: 2360-896X

Impact Of Audit Committee Attributes On Financial Performance Of Listed Cement Companies In Nigeria

Hashidu Zariyatu Abubakar[1] & Ahmed Seyoji[2]

[1,2] School Of Business Education
Federal College of Education (Technical), Gombe, Nigeria
[1]Email: hashiduza@gmail.com/ GSM: 08035862613
[2]Email: zaiflaamy@gmail.com/ GSM: 08035331437

ABSTRACT

There exists divergence of opinions in the literature on the impact of audit committee on Financial performance. The mixed opinions make the direction of the impact ambiguous. This study therefore investigates the impact of audit committee on financial performance of listed cement industries in Nigeria. The population of the study consists of eight (8) listed cement industries in Nigeria. As at December, 2020 and these constituted the sample size for the period of ten (10) years. The study employed multiple regressions as a tool for analysis. Secondary data obtained from the annual report and account for the listed cement industries in Nigeria were analysed. Audit committee size has positive but insignificant impact on the return on assets of listed deposit cement industries in Nigeria while, Audit committee meeting has negative but significant impact on the return on asset of the listed cement industries in Nigeria. On the other hand, audit committee independence has positive but insignificant impact on the return on assets of listed cement companies in Nigeria. For cement companies to achieve greater financial performance, it is recommended that Nigerian cement industries should consider these corporate Audit committee attributes as a mechanism for improving the financial performance of listed cement countries in Nigeria.

Keywords: Audit Committee Attribute, Financial performance, Cement Companies.

INTRODUCTION

Since the audit forum was established, one of its key aims has been to promote confidence in financial performance. The statutory audit can reinforce confidence because auditors are expected to provide an external, objective opinion on the preparation and presentation of financial performance. Auditors need to be independent in the opinions they express, while the work they have to do to form their opinions is highly dependent on, and the real world and may become particularly challenging in some national environments. The manufacturing industry plays a major role in the economy as they motivate the nation at large. This is because the sector is part of protected and restoration system of an economy and successful operation of the industry can set vigour for other industries and development of an economy (Abate, 2021).

Indeed, a well-developed and evolved manufacturing industry is critical to conditions for economic development as it provides long term funds for long term investment for the country. Audit quality refers to a situation where audit report reflects the auditor's opinion regarding the company and with a reasonable assurance to investors, creditors and any resource providers in an organization that the company's accounting and its stewardship are correct and free from material misstatement. However, audit quality remained a controversy and difficult to understand because an audit process involves the

implementation of testing procedures that could not be observed by the users of the financial statement (DeAngelo, 2020). Audit quality is effective where it portray a greater assurance that the financial statements faithfully represent relevant information about the firm's underlying economic conditions on its inherent characteristics and financial reporting practices (Mark, DeFond and Zhang, 2019).

Audits are essential management tool to be used for verifying objective evidence of processes, to assess how successful the processes have been implemented, for judging the effectiveness of achieving any defined target levels, to provide evidence concerning reduction and elimination of problem areas. The common assumption is that the external auditor is delegated to assure that the reports and statements are free of errors or material misstatements, but many of the critics believe that this narrative minimizes the value of audit quality. In the modern organization, due to innovations and changes that have taken place in accounting, financial reporting and auditing, agents of a company no longer present financial statements of a business to the owner directly, such prepared financial statements would pass through a third-party (auditor) who constitute a profession providing services to the people (Adeyemi and Fagbemi, 2019). It suggests that the audit is designed to meet the needs of financial statement users, such as investors, creditors, prospective creditors, and government institutions (Ho and Kang, 2018).

The favorable auditor's opinion communicates to the owners that their business interests are protected and they can rely on the picture that the financial statements portray. The purpose of owners demanding for audit services is to reduce the agency costs because of information asymmetry and competing interests that exist between them (owners) and managers. The most famous system that can be used to resolve the competing interests between owners and managers are independent auditors (Sulaiman, 2011). Therefore, auditor opinion is expressed in form of a report upon which the economic decisions of the investors, creditors, and the government depend.

Statement of problem

The increase in audit failures in the world at large and in the Nigerian context in particular has brought a great deal of disappointment to investors and other corporate financial reporting performance stake holders. The issue of longevity of audit firm tenure and audit firm rotation has also been linked with fraudulent financial performance reporting due to the familiarity or client-auditor relationship. More to that when we take a look from the side of investors in particular, they rely heavily on audited financial statements of the firm. The increased confidence of investors and other corporate financial reporting stakeholders will attract the inflow of capital which has the long-run effect of creating growth and development in the Nigerian banking sector and the Nigerian capital market at large. On the other hand, inefficiencies on the side of management could guide structured financial statements. Ordinarily these financial statements do not show the true state of affairs and financial position of the organization therefore could expose the decisions of prospective investors. Adverse results on investment would reduce the credibility of the financial statements; which would in turn reduce the level of capital flow, thereby deteriorating the state of the business as a whole. The responsibility therefore, rests on the auditors to address these issues through efficient and effective implementation of the audit assignment, and the resultant production of quality report. Additionally, prior researches in this area from both developed and developing countries have produced inconsistent and sometimes conflicting empirical evidence. While some of the studies documented significant negative relationship, others suggested significant positive relationship or no relationship between audit quality proxies such as audit firm size and financial performance of firms. For instance, Piot and Janin (2015); Abubakar, Usman, Anuforo, and Alhaji (2018); Molik, Mir, Mclver, and Bepari (2020); Paulina (2019) reported that the use of big 4 audit firms (one of the proxies of audit quality) is associated with less earnings management for a sample of UK, Australia, US and France, firms. Similar findings include Habbash (2010); Okolie (2014); Okolie, Izedonmi, and Enofe (2013). In contrast Yasar (2013) and Pouraghajan, Tabari, Emamgholipour, and Mansourinia (2013) documented evidence which suggests that big 4 audit firms are not likely to be associated with less earnings management of firms. In the same way, another area that has also suffered a little neglect in the extant literature and studies was the tenure of an audit firm. This study was

necessitated to fill these gaps and therefore, contribute to the existing literature and academic knowledge in the focus area.

The study seeks to identify the impact of audit committee attributes and financial performance of listed cement companies in Nigeria. The study takes into consideration the financial period between 2010 to 2020 using the firm's annual report. The study covered the variables of return on asset, return on equity and return on capital as dependent variables and audit committee attributes as independent variable. This study is limited to cement manufacturing companies listed on the floor of Nigerian Stock Exchange.

Objectives of the Study

The main objective of the study is to examine the impact of audit committee attributes on financial performance of listed cement companies in Nigeria.

The specific objectives are to:

1. find the impact of audit committee attributes on return on asset of listed cement companies in Nigeria.
2. find the extent to which audit committee attributes impacts on return on equity of listed cement companies in Nigeria.
3. find the impact of audit committee attributes on return on capital employed of listed cement companies in Nigeria.

Research Questions

The study seeks to find answers to the following questions:

1. What is the impact of audit committee attributes on return on asset of listed cement companies in Nigeria?
2. To what extent does audit committee attributes impact on return on equity of listed cement companies in Nigeria?
3. What is the impact of audit committee attributes on return on capital employed of listed cement companies in Nigeria?

Research Hypotheses

This study is guided by the following research hypotheses:

H_{01}: There is no significant relationship between audit committee attributes and return on asset of listed cement companies in Nigeria.

H_{02}: There is no significant relationship between audit committee attributes and return on equity of listed cement companies in Nigeria.

H_{03}: There is no significant relationship between audit committee attributes and return on capital employed of listed cement companies in Nigeria.

The study seeks to identify the impact of audit committee attributes and financial performance of listed cement companies in Nigeria. The study takes into consideration the financial period between 2010 to 2020 using the firm's annual report. The study covered the variables of return on asset, return on equity and return on capital as dependent variables and audit committee attributes as independent variable. This study is limited to cement manufacturing companies listed on the floor of Nigerian Stock Exchange.

Conceptual Framework

The Concept of Audit Committee

Section 359(3) of the CAMA requires every listed company on the Nigerian stock exchange (NSE) to have an audit committee. The concept of "audit committee," in accordance with the view of Akpan *et al* (2020), refers to the body that performs the function of overseeing the company's financial system, disclosure, and audit process. A body that reviews various decisions and tasks performed by the management as well as operates in the shareholders' interest with the aim of reducing agency problems and fraud (Ali and Amir, 2018). Junaidu, and Ishaku (2021) have merged various definitions from various scholars and viewed audit committee as an integral part of the board of directors that should be composed of independent non–executive directors capable of protecting shareholders' interests based on objectivity and ensuring financial statement integrity.

The Concept of Audit Attribute

The starting point in defining audit attributes that is cited by most audit researchers is that of DeAngelo (2018) who defines audit attributes as the market-assessed joint probability that an auditor will discover a breach in the client's accounting system and be able to report the breach. The definition emphasizes two important aspects of audit quality viz: the professional competence of the auditor firm that determines the likelihood of detecting misstatement and the independence and objectivity of the auditor that determines the decision about a detected misstatement. Audit attribute is perceived as a function of both auditor competence and auditor independence. That is, discovering misstatements and reporting them. The most well-known definition of audit attribute, which has been broadly accepted by scholars, is the one by DeAngelo (2018) which states that the quality of audit services is defined to be the market-assessed joint probability that a given auditor will both discover a breach in the client's accounting system and report the breach. This definition broadly means that audit attributes depends on the probability that the auditor discovers a misstatement in a financial statement and actually reports the misstatement. DeAngelo (2018) opines that audit attributes dimension or proxy accrual quality, discretionary accruals, accounting reinstatement, audit reinstatement, going concern report.

The Concept of Financial Performance

According to Chell and Bains (1998), financial performance is the single determinant factor of growth and ability to develop into fully defined shareholding firms, corporate performance is the most often captured by the use of measurement criteria such as increased turnover or wider profit margins. Sanberg, Vinbery and Pan (2002) defined the corporate performance of a business as their ability to contribute to job and wealth creation through business startup, survival and growth.

Performance measurement conducted is done so by adopting proxies such as profitability, return on asset (ROA), liquidity, solvency, and sales growth and all these can be extracted from the financial statement and/or report. According to Levassure (2012) information on corporate performance is useful in predicting the capacity of the enterprise by analyzing how well or poorly an enterprise is doing against it sat objectives.

Irwin (2012) noted that many people find it difficult to look at the profit or loss account or a balance sheet and derive a full picture (corporate performance) of the enterprise. As a result, ratios are often used to interpret accounts since they point out how an enterprise is performing and provide indicators of trends and patterns. They can be compared to the same ratios in previous year's accounts and the account of other business operating in a similar environment. Ratios are published for many business sectors which can be used to make comparisons. According to Slywotzky (1998), success in today's marketplace depends on how profit is really made in an industry. Profitability should be interpreted in terms of each individual company's circumstances.

Theoretical Framework

For this study, stakeholder theory and legitimacy theory have been found to be the most appropriate theories that can underpin this study.

Stakeholder Theory

In stakeholder theory, the goal of the enterprise is to create wealth or value for its stakeholders by converting their holdings into goods and services (Clarkson, 2008) or by serving as a vehicle for coordinating interests' stakeholders (Evan and Freeman, 2010). Stakeholder theory was first presented as a theory of management. As a result, the company should be managed for the benefit of its stakeholders: its customers, suppliers, owners, employees and local communities, while maintaining the survival of the company (Evan and Freeman, 2010). The decision-making structure is based on the discretion of management and corporate governance, and it is often stated that this governance should include stakeholder representatives. The theory of stakeholder audit committee attributes is linked to the belief that corporations have an obligation to corporate groups other than shareholders and beyond those prescribed by law or trade union relations (Jones, 2013). For example, stakeholder theory considers the

individuals or groups involved in society, including shareholders, employees, customers, suppliers, and the local community.

Legitimacy Theory

The theory of legitimacy is one of the most important theories for explaining corporate social reporting (Campbell, 2000, Dwyer, 2002). This theory is based on the concept that organizations have a social contract with society (Dwyer, 2002) and that respect for this social contract would give them legitimacy to function. Societies can gain legitimacy by communicating with their different components (Dowling and Pfeffer, 2015).

METHODOLOGY

For the purpose of this study, descriptive research design was used for this study.

The population of this study is 8 companies that are quoted on the Nigeria Stock Exchange (NSE) as at 31st Dec., 2022. This is shown in Table 1. below.

S/N	Companies Name	Year of Incorporation	Year of Listing
1.	Ashaka Cement PLC	1974	2012
2.	Dangote Cement PLC	1992	2010
3.	Niger Cement PLC	1982	2012
4.	Lafarge Wapco Nig PLC	1971	2011
5.	Benue Cement PLC	1988	2017
6.	Cement Co. Of Northern Nig PLC	1962	1993
7.	West African Portland Cement Co PLC	1985	2009
8.	Bua Cement PLC	1982	2008

Source: Generated from NSE Daily Official Listing, 2022

The sample size for this study is all the eight (8) listed cement manufacturing companies in Nigeria between the period of 2010 to 2020. The justification for this selection of 8 listed cement companies is because of their availability of comparable data from 2010-2020, while it has the accessibility to annual reports and accounts.

Descriptive statistics, correlation and multiple regressions were employed for the analysis. Pearson correlation technique was also used to establish the nature of the relationship between ACA and financial performance variable.

The model based on the variables of the study was stated thus:

ROAit 0 β+β=1ACAEXit β+2SIZEit β+3LEVit β+ SG it4 β+5CFOit ε+it

Where:

ROA = Return on assets.

ROCE = Return on capital employed

ACAEX = Expenditure on ACA.

SIZE = Size of the company.

LEV = Leverage of the company.

SG = Sales growth.

CFO = Cash flow from operations.

β_0 = Parameters to be estimated (is the average amount the dependent variable increases when the independent increases by one unit other independents variables held constant).

eit = Error term assumed to satisfy the standard OLS assumption.

β_1- β_5 = Partial derivatives or the gradient of the independent variables.

RESULTS AND DISCUSSION

Descriptive Statistics

The summary of the descriptive statistics of the variables are presented in table 2.

Variable	Observation	Min	Max	Mean	Std. Dev.
Acs	100	4	8	5.89	1.434742
acm	100	2	5	3.81	1.070212
Aci	100	0.2667	0.6153	0.419201	0.1056689
Firmsize	100	9.18187	14.96402	12.08587	0.5186975
Fage	100	19	58	31.27	10.60384
Roa	100	0.0000532	21.94028	0.249858	2.193087

Source: STATA output, 2023

Table 2 presents the descriptive statistics for the dependent and explanatory variables. From the table, Audit committee size has minimum and maximum values of 4 and 8 respectively and the mean value of 5.89 while the standard deviation value of 1.434742. The standard deviation of 1.434742 signifies that the data deviate from the mean value from both sides by 5.89 implying that there is a wide dispersion of the data from the mean because standard deviation is lower than the mean value. Also Audit committee meetings has a minimum value of 2 and maximum value of 5 and the mean value of 3.81 as well as standard deviation value of 1.070212 imply that there is a wide dispersion of the data from the mean because standard deviation is lower than the mean value. The table also shows that the mean of the audit committee independence of the sampled firms is 0.419201 with standard deviation of 0.1056689, and minimum and maximum values of 0.2667 and 0.6153 respectively. This implies that the audit committee independent of the banks in terms of Return on asset is on average 0.419201, and the standard deviation value indicates that the audit committee independence of the sampled banks deviates from the mean value from both sides by 0.1056689, implying that there is significant dispersion of the data from the mean because the standard deviation is higher.

Moreover, the table shows that the mean of the firm size of the banks is 12.08587 with standard deviation of 0.5186975. The minimum and maximum values are 9.18187 and 14.96402 respectively. This implies that firms size of the sampled firms is on average 12.08587, and the standard deviation value indicates that the value deviates from the mean from both sides by 0.5186975, implying that there is significant dispersion of the data from the mean because the standard deviation is lower.

Correlation Results

The correlation result explains the degree of relationship between the dependent and independent variables of the study as well as the independent variables among themselves. The summary of the associations among the variables of the study is presented in table 3.

	Roa	Acs	Acm	Aci	FSz	fage
Roa	1.0000					
Acs	0.0075	1.0000				
Acm	-0.0814	0.3875	1.0000			
Aci	-0.0203	0.8668	0.3822	1.0000		
Fsz	-0.5712	-0.2142	-0.2181	-0.1343	1.0000	
Fage	-0.1084	0.0378	-0.2705	0.2151	0.4188	1.0000

Source: STATA output, 2023

Table 3 reveals that audit committee size, of the cement company is positively and strongly correlated with return on asset. The values are 0.0075 of the variables and that are all significant at 1% respectively. In contrast, audit committee meeting, Audit committee independence, firm size, and firm age has negative relationship with return on asset that is not statistically significant.

The relationship of the independent variables among themselves indicates that firm size and audit committee size, firm size and audit committee meeting, firm age and audit committee meeting, firm size and audit committee independence are negatively correlated among themselves. On the other hand, the relationship between audit committee meeting and audit committee size, audit committee independence and audit committee size, audit committee independence and audit committee meeting, firm age and audit committee size, firm age and audit committee independence, firm age and firm size are positively related among themselves. Although some of the variables exhibited strong association, the overall relationship for the independent variables among themselves is not significant. The variance inflation factor and tolerance values are determined with the use of STATA 12 and were found to be concurrently smaller than ten and one respectively, indicating the absence of harmful multi collinearity. This therefore, indicates the adequacy of fitting the model of the study with three independent variables.

Regression Analysis and Hypotheses Testing

In this section, the regression results are presented and analyzed. The hypotheses formulated for the study are also tested from the results as presented in table 4 below:

Variables	**Coefficient**	**T-Values**	**P-Values**	**Tolerance**
Constant	37.31185	6.11	0.000	
Acs	0.0955872	0.16	0.870	1.257824
Acm	-0.7392261	-1.98	0.051	0.0033567
Aci	2.579971	0.49	0.629	13.14541
Firmsize	-3.15483	-6.28	0.000	-2.156065
Fage	0.0715954	1.02	0.312	0.211508
R^2	0.3871			
Wald Chi 2	11.08			
Prob. Chi 2	0.0000			

Source: SPSS Output, 2023.

Table 4, above showed that Audit committee size has positive but insignificant impact on the return on asset of listed cement companies in Nigeria. This can be observed from the value of beta the coefficient of 0.0955872 with p-value of 0.870 indicating that the p-value is statistically insignificant at 5%. This implies that Audit committee size as one of the proxies of audit committee attributes that insignificantly affect the return on asset of listed cement companies in Nigeria. The results serve as a basis for accepting the first hypothesis, which states that Audit committee size has no significant impact on financial performance of listed cement companies in Nigeria.

The table revealed that Audit committee meeting has negative but significant impact on the return on asset of listed cement companies in Nigeria. This can be seen from the value of the beta coefficient of -0.7392261 with p-value of 0.05 indicating that the p-value is statistically significant. This implies that Audit committee meeting has significant effect on the return on assets of the cement companies. The result could provide sufficient evidence to rejecting the second hypothesis, which states that Audit committee meetings have no significant impact on financial performance of listed Cement industries in Nigeria.

Also, the table showed that Audit Committees Independence has positive but insignificant impact on the return on asset of listed Cement industries in Nigeria. This can be observed from the value of beta the

coefficient of 2.579971 with p-value of 0.629 indicating that the p-value is statistically significant at 5%. This implies that Audit committee independence as one of the proxies of Audit committee attributes that statistically insignificantly affect the return on asset of listed Cement industries in Nigeria. The results serve as a basis for accepting the third hypothesis, which states that Audit committee financial expertise has no significant impact on financial performance of listed Cement industries in Nigeria.

The table revealed that Firm size has negative significant impact on the return on asset of listed Cement industries in Nigeria. This can be seen from the value of the beta coefficient of -3.15483 with p-value of 0.000 indicating that the p-value is statistically significant. This implies that firm size as a control variable has significant effect on the return on assets of the cement banks.

Also, the table showed that firm age has positive but insignificant impact on the return on asset of listed Cement industries in Nigeria. This can be observed from the value of beta the coefficient of 0.0715954 with p-value of 0.312 indicating that the p-value is statistically significant at 5%. This implies that firm age as one of the control variable shows firm age statistically insignificantly affect the return on asset of listed Cement industries in Nigeria.

CONCLUSION

The aim of the study was to find out the extent to which Audit Committee Attributes affect the financial performance of Cement industries in Nigeria. The results show a significant positive association between Audit committee attributes and financial performance of cement industries firms in Nigeria. The positive relationship of Audit committee size indicates an effective monitoring mechanism in auditing system. This led to the conclusion that the possibility of a firm to engage in sound financial performance is the function of its Audit committee attributes. In other words, well blended Audit committee attributes enhances the degree of financial performance of cement industries in Nigeria.

RECOMMENDATIONS

Consequently, upon the findings and conclusions of this study, the study recommends that:

1. The Nigerian Cement industries should consider these corporate Audit committee attributes as a mechanism for improving the financial performance of listed cement industries in Nigeria.
2. As a matter of policy input, managers, regulatory authorities and other stakeholders of interest should ensure that the diverse interests held in a firm by owners are taken into consideration, as this will go a long way in mitigating agency problems exist between managers and owners of the firm.

REFERENCES

Abbott, L. J., Parker, S., & Peters, G. F. (2014). Audit committee characteristics and restatements. Auditing: *A Journal of Practice & Theory*, 23(2), 69–87.

Abbott, L. J., Parker, S., & Peters, G. F. (2020). Audit committee characteristics and financial misstatement: A study of the efficacy of certain blue ribbon committee recommendations. http://dx.doi.org/10.2139/ssrn.319125

Adeyemo K. A., Eriebie S. O., Adetiloye K., & Ben-Caleb E. (2015). Audit Committee

Attributes and Financial Reporting Quality in Nigerian Quoted Companies. International Business Management 10 (22), 5326-5335

Al-Mamun, A., Yasser, Q. R., Rahman, M. A., Wickramasinghe, A., & Nathan, T. M. (2014). Relationship between audit committee characteristics, external auditors and economic value added (EVA) of public listed firms in Malaysia. Corporate Ownership & Control, 12(1), 899-910.

Ameer, R., Ramli, F., & Zakaria, H. (2020). A new perspective on board composition and

firm performance in an emerging market. Corporate Governance: The International Journal of Business in Society, 10(5), 647-661. http://dx.doi.org/10.1108/14720701011085607

Anderson, R. C., & Reeb, D. M. (2022). Founding family ownership and firm performance:

Evidence from the S&P 500. The Journal of Finance, 58(3), 1301-1327. http://dx.doi.org/10.1111/1540-6261.00567

Andres, C. (2018). Large shareholders and firm performance—An empirical examination of founding-family ownership. Journal of Corporate Finance, 14(4), 431-445. http://dx.doi.org/10.1016/j.jcorpfin.2008.05.003

Arslan, M., Zaman, R., & Malik, R. K. (2014). Impact of CEO Duality and Audit Committee on Firm Performance: A Study of Oil & Gas Listed Firms of Pakistan. Research Journal of Finance and Accounting, 5(17), 2222-1697. http://dx.doi.org/10.2139/ssrn.2515067

Balasubramanian, N., Black, B. S., & Khanna, V. (2010). Firm Level Corporate Governance in Emerging www.ccsenet.org/ijef International Journal of Economics and Finance Vol. 8, No. 3; 2016 113 Markets: A Case Study of India. http://dx.doi.org/10.2139/ssrn.992529

Beasley, M. S. (2016). An empirical analysis of the relation between the board of director composition and financial statement fraud. Accounting Review, 443-465.

Bhardwaj, M. N., & Rao, C. D. B. R. (2015). Role of audit committee in corporate governance. International Journal of Management and Social Science Research Review, 1(10), 61-67.

Bhasin, M. (2013). Corporate accounting scandal at Satyam: A case study of India‘s Enron. European Journal of Business and Social Sciences, 1(12), 25-47.

Bouaziz, Z., & Triki, M. (2022). The impact of the presence of audit committees on the financial performance of Tunisian companies. International Journal of Management & Business Studies, 2(4), 57-64.

Brickley, J. A., Coles, J. L., & Terry, R (1994). Outside Directors and the Adoption of Poison Pill. Journal of Financial Economics, 35(3), 371-390. http://dx.doi.org/10.1016/0304-405X(94)90038-8

Bryan, D., Liu, C., & Tiras, S. L. (2014). The Influence of Independent and Effective Audit Committees on Earnings Quality. http://dx.doi.org/10.2139/ssrn.488082

Bukit, R. B., & Iskandar, T. M. (2019). Surplus free cash flow, earnings management and audit committee. International Journal of Economics and Management, 3(1), 204-223.

Burkart, M., Panunzi, F., & Shleifer, A. (2002). Family firm (No. w8776). National Bureau of Economic Research. http://dx.doi.org/10.3386/w8776

Bushman, R. M., & Piotroski, J. D. (2016). Financial reporting incentives for conservative accounting: The influence of legal and political institutions. Journal of Accounting and Economics, 42 (1), 107-148.

Chevalier, J., & Scharfstein, D. V. (1996). Capital Market Imperfections and Countercyclical Markups, Theory and Evidence, *American Economic Review Journal*, 703-725.

Chakravarth, B.S. (1986). Measuring strategic performance. Strategic management journal, Vol. 7, Pp 437-458.

Companies and Allied Matters Act (CAMA) (2004) Lagos: Federal Government printer.

Dahya, J., & McConnell, J. J. (2005). Outside directors and corporate board decisions. Journal of Corporate Finance, 11(1), 37-60. http://dx.doi.org/10.1016/j.jcorpfin.2003.10.001

De Oliveira Gondrige, E., Clemente, A., & Espejo, M. M. D. S. B. (2022). Composition of the board and firm value of brazilian public companies. Brazilian Business Review, 9(3), 71-93. http://dx.doi.org/10.15728/bbr.2012.9.3.4

DeZoort, F., Hermanson, D., Archambeault, D., & Reed, S. (2012). Audit Committees Effectiveness: A Synthesis of the Empirical Audit Committee Literature. Journal of Accounting Literature, 21, 38-75.

Dharmadasa, P., Gamage, P., & Herath, S. K. (2014). Corporate Governance, Board Characteristics and Firm Performance: Evidence from Sri Lanka. South Asian Journal of Management, 21(1), 7.

Fauzi, F., & Locke, S. (2022). Board structure, ownership structure and firm performance: A study of New Zealand listed-firms. Asian Academy of Management Journal of Accounting and Finance, 8(2), 43-67. Retrieved from http://hdl.handle.net/10289/7793

Ibrahim, H., & Samad, F. A. (2014). Corporate governance mechanisms and performance of public-listed family-ownership in Malaysia. International Journal of Economics and Finance, 3(1), 105. http://dx.doi.org/10.5539/ijef.v3n1p105

Koerniadi, H., & Tourani-Rad, A. (2012). Does board independence matter? Evidence from New Zealand. Australasian Accounting, Business and Finance Journal, 6(2), 3-18.

Kumar, N., & Singh, J. P. (2013). Effect of board size and promoter ownership on firm value: Some empirical findings from India. Corporate Governance: The International Journal of Business in Society, 13(1), 88-98. http://dx.doi.org/10.1108/14720701311302431

Kusnadi, Y., Leong, K. S., Suwardy, T., & Wang, J.(2014). Audit Committees and Financial Reporting Quality in Singapore. *International Journal of Accounting*, 2(2), 23.

Leung, S., Richardson, G., & Jaggi, B. (2014). Corporate board and board committee independence, firm performance, and family ownership concentration: An analysis based on Hong Kong firms. Journal of Contemporary Accounting & Economics, 10(1), 16-31. http://dx.doi.org/10.1016/j.jcae.2013.11.002

Mishra, S., & Mohanty, P. (2014). Corporate governance as a value driver for firm performance: Evidence from India. Corporate Governance: The International Journal of Business in Society, 14(2), 265-280. http://dx.doi.org/10.1108/CG-12-2012-0089

Mohd Saleh, N., Mohd Iskandar, T., & Mohid Rahmat, M. (2017). Audit committee characteristics and earnings management: Evidence from Malaysia. Asian Review of Accounting, 15(2), 147-163. http://dx.doi.org/10.1108/13217340710823369

Nuryanah, S., & Islam, S. (2021). Corporate governance and performance: Evidence from an emerging market. Malaysian Accounting Review, 10(1), 17-42.

Okolie, A. O. (2014). Auditor tenure, auditor independence and accrual–based earnings management of quoted companies in Nigeria. European Journal of Accounting Auditing and Finance Research, 2(2), 63-90.

Olokoyo, F. O. (2013). Capital Structure and Corporate Performance of Nigerian Quoted Firms: A Panel Data Approach. African Development Review, 25(3), 358-369. http://dx.doi.org/10.1111/j.1467-8268.2013.12034.x

Rodriguez-Fernandez, M., Fernandez-Alonso, S., & Rodriguez-Rodriguez, J. (2014). Board characteristics and firm performance in Spain. Corporate Governance: The International Journal of Business in Society, 14(4), 485-503. http://dx.doi.org/10.1108/CG-01-2013-0013

Shehu U.H (2017). Determinant of capital structure in the Nigerian listed insurance firms. International journal of China-USA Business review, 10(12):81-89.

Umobong, A. A., & Ibanichuka, E. A. L. (2017). Audit Committee Attributes and Financial Reporting Quality of Food and Beverage Firms in Nigeria, International Journal of Innovative Social Sciences & Humanities Research 5(2):1-13

Xie B, Davidson III, W. N., & W. Xu. (2014). Market reaction to voluntary announcements of audit committee appointments: The effect of financial expertise. Journal of Accounting and Public Policy, 23 (4):279-293.

Yang, J. S. & Krishnan, J. (2015). Audit committees and quarterly earnings management. International Journal of Auditing, 9, 201–219.

Zabri, S. M., Ahmad, K., & Wah, K. K. (2016). Corporate governance practices and firm performance: Evidence from top 100 public listed companies in Malaysia. Procedia Economics and Finance, 35, 287-296. https://doi.org/10.1016/S22125671(16)00036-8

Zraiq, M., & Fadzil, F. (2018a). The impact of audit committee characteristics on firm performance: Evidence from Jordan. Scholar Journal of Applied Science and Research, 1, 39-42. https://innovationinfo.org/articles/ SJASR-5-154.pdf

Zraiq, M., & Fadzil, F. (2018b). The impact of ownership structure on firm performance:

Evidence from Jordan. International Journal of Accounting, Finance and Risk Management, 3(1), 1-4. https://doi. org/10.11648/j.ijafrm.20180301.12.