International Journal of Global Affairs, Research and Development (IJGARD), Vol. 1. N0. 1, 2023, 66-80, ISSN-2992-2488

MODERATING ROLE OF FIRM SIZE ON CORPORATE ATTRIBUTES AND TIMELINESS OF FINANCIAL REPORTS OF QUOTED CONSUMER GOODS COMPANIES IN NIGERIA.

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ABSTRACT

The need for a timely release of financial statements both to the companies and the stakeholders can hardly be overstressed. The companies would like potential investors to show interest in investing their resources with their timely reports, while, the stakeholders want timely information for them to take effective investment decisions. It is imperative therefore, to evaluate how timely these companies publish their annual reports. Against this background, this study investigates the effect of corporate attributes on financial reports timeliness of consumer goods companies in Nigeria with the moderating role of firm size from 2009-2018. The independent variable (corporate attributes) were represented by profitability and gearing ratio, while, the dependent variable is financial reports timeliness. The secondary panel data were sourced from the financial statements of the 15 sampled companies. The analysis was conducted with Robust (Generalized Least Square) multiple regression technique and the results show that profitability has an insignificant effect on financial reports timeliness, while gearing ratio has a significant effect on financial reports timeliness of the Nigerian consumer companies during the period studied. The result further show that firm size plays a significant moderating role on the effect of profitability and gearing ratio on financial reports timeliness of the studied companies. The study recommends among others that, gearing (borrowing) even though has significant negative effect on financial report delay should be handled with due diligence to avoid being counter-productive in case the cost becomes too high for the company to bear.

Keywords: Corporate Attributes, Financial Reports Lag, Gearing Ratio, Profitability and Timeliness.

1.0 INTRODUCTION

Financial reporting is concerned with the provision of information which possess the characteristics of relevance, adequate, comparable and reliable sources. Stewardship responsibility of management is achieved through corporate financial reporting in the form of preparation and presentation of audited annual reports and accounts to users of financial information. Financial report is perceived relevant when a wide range of users make decisions based on the available information with respect to the performance and changes in financial position of a firm. **Financial** reports are **statements** prepared by a company's management to present the **financial** performance and position at a point in time. These statements are prepared to give users outside of the company, like investors and creditors, more information about the company's **financial** positions (Efobi and Okougbo, 2015).One important quality of sound financial report is that the information that it holds need to be released in a timely manner. Financial accounting standards board ((FASB 2010) emphasises timeliness as one of the key components of decision-driven informational relevance. Accordingly, if information is not available as at when due, but, rather made available so late that it bears no value for future action, then it is operationally irrelevant (Ahmed and Che-Ahmad, 2016).Turel (2010) notes that the provision of unverified financial accounting statements and associated information automatically negates the essence of timely information and so there is great pressure on the external auditor to complete the audit and issue the audit report without undue delay.

Profitability which is the excess of income over expenses is expected to influence the timeliness of firm financial reporting. A firm's performance has a signaling effect on the market for corporate securities as a rise in profit which is good news (positive performance) will raise the market value of outstanding equity shares and management and the opposite is true of a firm with bad news by way of negative performance (Ekienabor and Oluwole, 2018). Profitability is an important determinant of how timely financial reports as corroborated by Khasharmeh **and** Aljifri (2010), who pointed out that good news (profit) and bad news (loss) are factors that determine both financial reports timeliness in that, early publication of reports is an indication that managers are happy about firm performance.

Gearing ratios also called leverage ratios refer to financial ratios that show the percentage of a company's capital structure that is made up on borrowed funds or liabilities owed to external creditors. Focusing on the long-term solvency in general, the more leveraged and higher amount of debt financing relative to equity financing, the owner faces, then greater is the risk. Besides higher leverage is usually associated with higher expected returns(Efobi and Okougbo, 2016) .Timeliness of financial reports would be influenced by the extent a firm engages in debt financing as it may either decide to reports its performance early or not.

Financial reporting lag refers to the delay experienced in presenting a firm's annual reports from the date of its accounting year end until when the company is able to hold its annual general meeting. In Nigeria, the Securities and Exchange Commission (2005) sets March 31st for every quoted firm to submit its audited financial reports ended on December 31st in the previous year, while, Nigerian regulators such as the Investment and Security Act and Insurance Act require a financial statement to be made available on or before 90 and 180 days respectively (Iyoha, 2012).

The moderating role of a variable becomes necessary to be investigated when the effect of an independent variable on a dependent variable varies according to the level of a third variable, that is, the moderating variable which relates with the independent variable (Edwards and Lambert, 2007). Hair *et al*. (1998) asserted that a variable is regarded as a moderator if the relationship between two (or more) other variables is a function of the level of that variable. Moderating effect occurs when a third variable changes the relationship between two related variables. In this study, the moderating role of firm size on the impact of corporate attributes namely: profitability and gearing ratio on timeliness of financial reporting is investigated.

Consumer goods companies forms a consumption items producing subsector of the manufacturing industry and constitute an essential component of the Nigerian economy. Variety of goods which are produced by these companies include beverages and confectionaries produced by Nestle and Cadbury, flour and sugar produced by Northern Nigerian flour mills, Honeywell Flour Mills, Dangote sugar refineries among others.. The employment generation capacity of these companies are enormous; and that helps in building the economy.

In Nigeria today, the need for timely financial information has become so important due to the increasing exposure of Nigerian businesses to international capital markets. The business organizations are under obligation to satisfy the information demands of both local and foreign investors providing them with more timely information in their annual financial reports. From available literature, there are scarcity of studies with moderation in the consumer goods companies in Nigeria and that, there remain mixed conclusions on the effect of corporate attributes on timeliness of financial reports among scholars. For instance, while, Haldar and Mishra (2017) maintain that profitability has no significant effect on timeliness of financial reports, others including Surachyati *et al.* (2019) and Mutiara *et al*. (2018) observed that profitability has a significant effect on timeliness of financial reports. Similarly, scholars including Susandya *et al.*(2018) and Efobi and Okougbo (2016) reported a significant effect of gearing ratio on timeliness of financial reports, while, Adebayo and Adebiyi (2016) and Al-Tahat (2015) observed that gearing ratio has no significant effect on financial reports timeliness. The need for studies that involve moderation of independent and dependent variables in the consumer goods subsector, the mixed findings from previous studies on the impact of corporate attributes on timeliness of financial reports coupled with the dearth of studies that captured 2020 data on these variables constitute the problem that necessitate this study

The main objective of this study is to investigate the moderating role of firm size on the effect of corporate attributes of financial reports timeliness of consumer goods companies in Nigeria, while, the specific objective are to:

1. Evaluate the effect of profitability on financial reports timeliness of consumer goods companies in Nigeria;
2. Determine the effect of gearing ratio on financial reports timeliness of consumer goods companies in Nigeria;
3. Ascertain the moderating role of firm size on the effect of profitability on financial reports timeliness of consumer goods companies in Nigeria; and
4. Explore the moderating role of firm size on the effect of gearing ratio on financial reports timeliness of consumer goods companies in Nigeria.

Research Hypothesis

For the purpose of achieving the objectives of this study, the following Null hypotheses were formulated.

Ho_1: Profitability has no significant effect on financial reports timeliness of consumer goods companies in Nigeria;

Ho_2: Gearing ratio has no significant effect on financial reports timeliness of consumer goods companies in Nigeria;

Ho_3: Firm size has no significant moderating role on the effect of profitability on financial reports timeliness of consumer goods companies in Nigeria; and

Ho_4: Firm size has no significant moderating role on the effect of gearing ratio on financial reports timeliness of consumer goods companies in Nigeria.

2.0 REVIEW OF RELATED LITERATURE

2.1.1 Conceptual Framework

The conceptual framework of this study comprises the independent variable–corporate attributes represented by profitability (PROFT), gearing ratio (GRT) as independent variables and financial reporting lag (FRL) measures financial reporting timeliness. Firm size was used as a moderating variable.

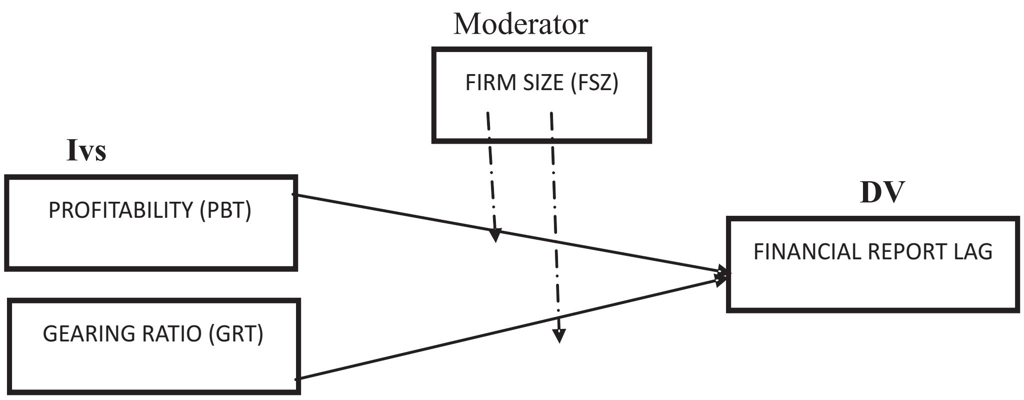

Fig 2.1 The Framework of the Study
Source: Fujaria and Islinita, 2018.

2.1.2 Corporate Attributes

Corporate attributes otherwise referred to as firm characteristics can be defined as the wide varieties of information disclosed in the financial statement of business entities that serve as the predictors of the firms' quality of accounting informationand performance. Mohammed (2017) also personally defined corporate characteristics as the behavioral patterns of a company's operation which enables it to achieve its objectives throughout the period of its operations. Corporate attributes vary from one business entity to another. They can be determined based on the relevant information disclosed on financial statements for a particular accounting period (Stainer, 2006).Kogan and Tian (2012) state that firm attributes may be defined as those characteristics that are directly related to the company and he listed them toinclude ownership structure, board characteristics, age of the firm, firm size, dividend pay-out, profitability, leverage, liquidity, committee size, board size, board composition and access to capital markets and growth opportunities among others.For the purpose of this study, corporate attributes are profitability and gearing ratio.

2.1.3 Financial Reports Timeliness

Arowoshegbe *et al*. (2017) defined timeliness as the capacity of the decision makers to access information before losing its relevance and ability to effects judgments. A company's failure to make public its reports within the period allowed by law is referred to as audit delay or audit report lag which considers the number of days after the expiration of the allotted time before been made public. Ibadin and Afensimi (2015) assert that financial reports timeliness generally refers to the length of time from a company's financial year-end to the date of the auditor's report and thus it is measured as the number of days between a firm's fiscal year-end and the report date. Timeliness of financial report is the ability of a company to make public its financial statement after the end of accounting year within the stipulated period in Nigeria. Utami (2006) defines financial report timeliness as the duration of the completion of the audit reports, which is from the date of closing the book to the date the audit report is published.

2.1.4 Profitability and Financial Reports Timeliness

Profitability which refers to the excess of income over expenses incurred by a business entity has the potential of influencing a company's reporting behavior. Rahmawati (2018) notes that it is reasonable to expect the management of a successful company to report its good news to the public on a timely basis, arguing that auditors take much more time to audit companies suffer loses as a defense against potential future litigation thereby causing delay in financial reporting process. Surachyati *et al*. (2019) find that firms with increased profit in comparison to the previous year are faster in publishing their financial reports than firms with declining performance. In contrast, Haldar and Mishra (2017report that profitability have no significant impact on the timeliness of corporate disclosure. Ekienabor and Oluwole (2018) argue that managers of organizations that make profits would be more eager to release their financial report more rapidly than those that suffer loss because of the effect such news could have on the share price and other indicators and this is in agreement with agency theory that suggests that managers of larger profitable companies may wish to disclose more information to obtain personal advantages like continuance of their management position and compensation.

2.1.5 Gearing Ratio and Financial Reports Timeliness

Gearing also referred to as leverage can be described as the component of company\s capital that is financed through debts. Firms with greater debts than equity are regarded as highly leveraged and require longer auditing time and expect high standard auditing services through the hiring of high-quality auditing firms, then incur higher agency and monitoring costs. Consequently, managers of highly leveraged firms are inclined to decrease these costs by disclosing more information in annual reports and are therefore likely to postpone the declaration of their audited annual reports (Al-Ghanem & Hegazy, 2014).A firm is described as leveraged when it is financed partly by long term debts. Thus, leverage measures the extent of the borrowed finance resources used in a firm (Alkhatib& Marji, 2012). Pachori and Tatala (2012) assert that, higher level of leverage signifies bad news to companies and that make management trying to delay the annual report. The high debt to equity ratio in a company is a reflection of financial difficulties which as a bad news will affect the condition of the company in the public eye and in the opinion of Susandya *et al*. (2018), its management will delay the submission of financial reports that contain bad news. Adebayo and Adebiyi (2016) observe that a high degree of leverage will make company annual reports to delay due to scrutiny from creditors, noting that highly leveraged firms might tend to delay the release of their annual reports since they are faced with the high probability of failure. For the purpose of this study, gearing ratio is the debt to asset ratio of the firms.

2.2 Theoretical Review

The Agency theory: This theory was developed by Jensen and Meckling(1976). This study is anchored on the agency theory which i**s** based on the relationship between the principal (owners) and the agent (Managers), because the bank specific characteristics upon which this study dwells are all at the control of management for the expected benefits of the owners. The theory assumes that in the presence of information asymmetry, the agent is likely to pursue interest that may conflict with that of the principal. Since managers are said to favour perks of office and power even at the expense of shareholders' interest, they are likely to pursue interests that may hurt their principals (Eisenhardt, 1989). The theory therefore suggests an optimal debt level that would arise as a result of agency cost and that the interest of the managers in the firm should increase in order to be aligning with the owners. The debt level should also be used to motivated or control managers' tendency for extra consumption. (Abdillah *et al*, 2019)

2.3 Empirical Review

Siyanbola et al. (2020) analyze the effect of firms' attributes on auditors' reporting lag in Nigerian deposit money banks. Ten listed banks were selected purposively basedon size and relevant data were obtained from the financial reports of the sampled banks from2008 to 2017. The study used dynamic generalized method of moment involving fixed effect to test the effect of firms' attributes on auditors' reporting lag. Findings show that age has significant positive effect on auditors' reporting lag of the sampled banks while size has nosignificant positive effect. However, profitability was found to exert negative but no significant effect on auditors' reporting lag.. The study recommends that banks should have robust internal control and accounting system and must comply with all regulations including accountingstandards, so as to reduce auditors' reporting lag in Nigeria.

Surachyati*et al.* (2019) analyze the influence profitability, leverage, liquidity and company size on the timeliness of the submission of financial statements to transportation companies listed on the Indonesia Stock Exchange for the period of 2011-2015. Data were processed using logistic regression test at a significance level of 5 percent. The results of the study find empirical evidence that the variables of profitability, liquidity and auditor opinion have significant effect on timeliness of the submission of financial statements, while, the leverage variable, and company size do not have a significant effect on the timeliness of the submission of financial statements. They recommend the use of the results of this study can be used by financial analysts, management, and creditors to predict the timeliness of submission of financial statements of companies.

Abdillah *et al*. (2019) examine and analyze the factors that affect an auditor's efficiency in completing the audit process proxied by audit report lag. Multiple linear regression (OLS) method was used to analyze this study. Hypothesis testing was done by statistical *t*-test (partial). The results show that partially variables of the audit committee and profitability had a significant negative effect on audit report lag while the variable financial condition had a significant positive effect on audit report lag. Meanwhile, variables of the accounting complexity, auditor reputation, audit tenure and auditors' industry specialization did not show significant influence on audit report lag. They recommend a regular evaluation of the effect of company characteristics on audit report lag.

Mutiara *et al.* (2018) reveal the effect of each of company size, company profit, solvency and the size of public accountant on audit report lag for the infrastructure, utility and transportation sectors listed on the Indonesian Stock Exchange. The population of the study are infrastructure, utility and transportation companies that are listed on and supervised officially by the Indonesian Stock Exchange from 2013–2015. The technique used for choosing the sample was purposive sampling. The sample consisted of 57 companies chosen from the population. The data were analysed using double regression analysis. The study finds out that company size has a negative and significant effect on audit report lag and that company profit has a negative and significant effect on audit report lag. *The study also find out that* solvency has no significant effect on audit report lag, and *fourth*, the size of public accountant has no significant effect on audit report lag. They recommend for further researches that should study companies that works in field other than infrastructure, utilities and transportation, mining or banking.

Hoang *et al*. (2018) study the factors affecting the timeliness of financial reports (FR) of enterprises in Vietnam. They used panel data with 1070 observations, at 214 companies listed on Vietnam's stock market in the period 2012 - 2016. Results using the GLS method shows that there are four independent variables, including consolidated financial reports, the audit firm, profitability (ROA) and the size of the business with relation to the timeliness of financial reports and statistical significance. There are two factors, including financial leverage (gearing) and industry which do not significantly affect the timeliness of financial reports. In addition, the research results show that there are differences and statistical meanings in the publishing time of different types and starting times of financial reports. Based on these results, they recommend a boost in the timeliness of financial reports.

Adebayo and Adebiyi (2016) investigate the timeliness of financial statements among the Deposit Money Banks in Nigeria. They selected a sample of 15 Deposit Money Banks listed by the Nigeria Stock Exchange between 2005 and 2013. The data were analyzed and results estimated using Ordinary Least Square (OLS) Regression which was complimented with the panel data estimation technique. The study tests for the relationship between bank size, leverage, profitability, audit firm size and the timeliness of financial statements. All the variables examined were found to be statistically significant except for leverage. The findings reveal that most of the banks now comply with regulations which enhance timely reporting of financial statements in Nigeria. They recommend that the regulatory agencies should not allow the time lag to be too long, so that the report will be useful for the intended purpose.

2.4 Gap in Literature

The complete unavailability of studies that investigated the moderating effect of Firm Size on the impact ofthese firm attributes namely: profitability, gearing, liquidity and board size on Timeliness of Financial Reports among consumer goods companies in Nigeria opens a yawning gap this study fills. Secondly, this study fills the gap that is created by the absence of previous work that included 2020 dataset in their analysis. Thirdly, this study by covering a Ten (10) year period fills the gap created by the short periods of studies reviewed. For instance, studies includingthose of Ekienabor *et al* (2018) and Bakare *et al* (2018) covered 6 years each; Hoang *et al* (2018), Surachyati *et al* (2019) and Raweh *et al* (2019) covered only 5 years each; while, Mutiara *et al* (2018),Abdillah *et al* (2019) and Warrad (2018) covered only three years each.

3.0 METHODOLOGY

This study adopts the *ex-post facto*research design because the activities under study have taken place and the historical data documented in the companies' annual reports .The population of the study consists of the Twenty (20) consumer goods companies operating in Nigeria as at 31st December, 2020.The study sample size consists of 20consumer goods companies quoted on the Nigerian Stock Exchange as at 31st December, 2020. The sampling technique adopted was the Census sampling method recommended for small population studies. The data used for this study were obtained from secondary sources obtained from the various editions of sampled companies' financial statements. The data were analysed by Robust (GLS) multiple regression technique which was used to test the formulated null hypotheses and the diagnostic (pre-estimation) tests conducted were descriptive statistics, Shapiro-Wilk data normality test to determine the pattern of the data distribution and Pearson correlation matrix for Multicollinearity

3.1 Variable Measurement and Justification

The variables under study are explained in Table 1 below.

Table 1 Variable Definition

Variable	Type	Measurement	Justification
Financial Reporting Lag	Dependent	Number of days from end of accounting year to annual reports publication.	Ahmad, *et al*, (2018); Warrad (2018); Ahmed *et al*, (2016).
Profitability	Independent	Profit before interest and tax	Surachyati *et al.* (2019); Abdillahi *et al* . (2019); Mutiara *et al*. (2018).
Gearing Ratio	Independent	Debt to equity ratio.	Hoang *et al* (2018); Susandya *et al*. (2018); Adebayo and Adebiyi (2016).
Firm Size	Moderating	Natural Logarithm of a firm's Total assets.	Ekienabor *et al*, (2018); Mutiara *et al*. (2018) and Hoang *et al*.(2018)

Source: Researcher's Compilation (2022).

3.2 **Model Specification**

The regression estimation of a response (dependent) variable and a set of predictor (independent) variables as the regressors is adopted in this study. The dependent variable is financial reports timeliness measured by financial report lag (FRL), the independent variable Firm Characteristics is represented by Profitability (PBT) and gearing ratio (GRT)while, firm size (FSZ) was used as a moderating variable. A two (2) model approach was used for clarity of presentation and interpretation.

The adapted first model involves the independent variables and the moderating variable in a direct relationship with the dependent variable;

$FRL = f(PBT + GRT + FSZ)$

Restating the above relationship econometrically, it becomes:

$FRL_{it} = \beta_0 + \beta_1 PBT_{it} + \beta 2GRT_{it} + \beta_3 FSZ_{it} + £_{it}$……………………………….(model 1)

Model II captures the independent variables including firm size and the dependent variable in a relationship that firm size also moderate the other independent variables. This model was used to test the hypotheses since it covered all the three sets of variables.

$FRL = f(PBT + GRT + FSZ*PBIT + FSZ*GRT$

Econometrically, the above equation is expressed as follows:

$FRL_{it} = \beta_0 + \beta_1 PBT_{it} + \beta_2 GRT_{it} + \beta_3 FSZ*PBIT_{it} + \beta_4 FSZ*GRT_{it} + £_{it}$ ………… (model 2)

Where:

FRL = an indicator representing financial reports lag (proxy for dependent Variable);

β_0 = Intercept term (a constant);

$\beta 1$-β_4 = Coefficient of proxies of the Independent Variables;

PBT = a predictor representing profitability;

GRT = a predictor representing gearing ratio;
FSZ*PBT = a predictor representing firm size – moderated profitability;
FSZ*GRT = a predictor representing firm size – moderated profitability;
£= Error term;
i = Firms;
t = Periods; and
f = Functional relationship.

4.0 RESULTS AND DISCUSSION

4.1 Descriptive Statistics

Table 2 below shows the descriptive statistics which summarizes the data set used for this study.

Variable	Obs	Mean	Std. Dev.	Min	Max
FRL	200	163.725	52.62658	72	530
PBT	200	9341909	1.50e+07	-805	7.1107
GRT	200	.0227	.0873	-.21	.876
FA	200	47.4	20.0600	6	97
L_FSZ|	200	7.3210	1.0487	4.758	8.684

Source: STATA output, 2022 .

Results from Table.2 above reveal that all the variables were evenly spreading having means that fall between their respective minimum and maximum values. The results also reveal that gearing ratio (GRT) and Profitability (PBT) have standard deviations (0.0823and 1.50e07) that are higher than their mean (0.0227 and 9.30e+06) connoting that gearing ratio and profitability were on the fast increase during the period studied. But, the other variables namely: FRL and L_FSZ had a slower growth rate during the 2011-2020 period.

4.2 Normality Test: Shapiro-Wilk W' test for normal data

Table 3 below presents the result of the data normality test conducted with the aid of Shapiro-Wilk test with the decision rule that any model with p-value lower than or equals to 0.05 shows abnormal distribution.

Variable |	Obs	W	V	z	Prob>z
residual |	200	0.80519	22.667	7.075	0.00000

Source: STATA output, 2022.

Table 3 above shows that the model has a prob. Value of 0.000 which is lower than 0.05 indicating that the data were not normally distributed. This finding forecloses the possibility of using ordinary least square (OLS) technique to estimate the model as one of the assumptions of OLS for normal data distribution has been violated.

4.3 Pearson Correlation Test for Multicollinearity

Table 4 below presents the correlation coefficients from the Pearson correlation test for the independent variables. According to Hair *et al*. (2005), any two independent variables that correlate above 0.85 have multicollinearity issues and should be further scrutinized.

	frl	pbt	grt	l_fsz
frl	1.000			
pbt	-0.195	1.000		
grt	0.602	-0.132	1.000	
l_fsz	-0.309	0.389	-0.444	1.000

Source: STATA output, 2022 .

Table 4 above reveals that no two (2) variables correlate up to 0.85 or 85% as the highest positive correlating coefficient is 39% between PBT and FSZ.

4.4 Regression Analysis: GLS Robust Regression

The regression analysis was done with Two (2) models as indicated in the model specification.

Model I:Table 5 below shows the regression results which captured the independent and dependent variables and the moderating variable in a direct relationship. Model I was used to test hypotheses i and ii.

frl	Coef.	Robust Std. Err.	t	P>|t
pbt	1.39e-07	2.97e-07	0.47	0.638
grt	-16.782	1.585	-10.59	0.000
l_fsz	-42.555	12.661	-3.36	0.001
_cons|	470.415	95.801	4.91	0.000
R-sq. overall		0.4230		
Wald chi2(3)		2021.62-		
Prob > chi2		0.0000		

Source: STATA output, 2022 .

Table 5 above shows an R-squared overall of 0.4230 which represents the coefficient of determination of the model. This figure of approximately 42% implies that the combined impact of the independent variables on the changes that occurred in the dependent variable is about 43%. Table.6 also revealed that while GRT and the moderating variable FSZ have a significant impact on timeliness of financial reporting ,PBT has an insignificant impact on financial reporting timeliness. A Wald chi2 of

2212.62 and a prob chi2 of 0.0000 indicated the fitness of the model.

Model II: Table.6 below shows the regression results which captured the independent variables, the dependent variable and the moderating variable in an indirect moderating relationship. Model II which incorporated all the three sets of variables was used for testing the null hypotheses iii and iv.

frl	Coef.	Robust Std. Err.	t	P>|t
pbt	.00002	7.84e-06	2.23	0.042
grt	-344.241	84.965	-4.05	0.001
l_fsz_pbt	-2.01e-06	9.30e-07	-2.17	0.048**
l_fsz_grt	73.216	17.415	4.20	0.001***
_cons	33.118	30.012	1.10	0.288
R-sq. overall	0.0890			
F(4,14)	11725.82			
Prob > F	0.0000			

Note: ** = 5% level of significance.
Source: STATA output, 2020.

Table.6 above reveals a coefficient of determination measured by the R-squared of 0.0890 which means that the independent variables have a joint effect of about 9% with financial reporting timeliness (dependent variable) over the Ten (10) of this study. Table 7 also reveals that profitability (PBT) and gearing ratio (GRT) have a significant impact on timeliness of financial reporting, The Table 6 further reveals that firm size (L_FSZ) plays a significant moderating role on the impact of profitability and gearing ratio (as independent variables) on the dependent variable (financial reporting timeliness. The Wald chi2 and p. value of 11725.82 and 0.0000 are indicators of a fit model whose results are good for predicting future output.

3.6 Test of Hypotheses

The results of this study in Table 5 show that profitability (PBT) has an insignificant effect on financial reporting timeliness of consumer goods companies in Nigeria with a p. value of 0.638. This finding shows that null hypothesis one (Ho_1) which states that profitability has no significant effect on financial reporting timeliness is accepted.

The results of this study in Table 5show that gearing ratio (GRT) has a significant effect on financial reporting timeliness of consumer goods companies in Nigeria with a prob. value of 0.000 (significant at 1% level). This finding implies that null hypothesis Two(Ho_2) which states that gearing ratio has no significant effect on financial reporting timeliness is rejected. Table 6 reveals that firm size plays a significant moderating role on the effect of profitability on financial reporting timeliness of consumer goods companies in Nigeria from 2011-2020 with p. value of 0.048 (at 5% level of significance). This result indicates that the null hypothesis Three (Ho_3) which states that firm size plays no significant moderating role on the effect of profitability on financial reporting timeliness is rejected.

Table 6 also reveals that firm size plays a significant moderating role on the effect of gearing ratio (GRT) on financial reporting timeliness of consumer goods companies in Nigeria from 2011-2020with p. value of 0.001 (at 1% level of significance). This result indicates that the null hypothesis Four (Ho_4) which states that firm size plays no significant moderating role on the effect of gearing ratio on financial reporting timeliness is also rejected.

4.5 Discussion of Findings

This study found that profitability (PBT) has an insignificanteffect on financial reporting of Nigerian consumer goods companies from 2011-2020 with a coefficient of 1.3097, a z value of 0.47 and a p. value of 0.638, and that, any unit increase in profitability will add to financial reporting delay. This finding is in agreement with those of Surachyati *et al* (2019),Abdillah*et al*. (2019), Mutiara, Dang and Nguyen (2018) who found out that profitability has a significant effect of timeliness of financial reports. The finding, however, disagrees with that of Haldar and Mishra (2017) who found out that profitability has an insignificant effect on financial reports timeliness.

This study finds that gearing ratio (GRT) has a significanteffect on financial reporting of Nigerian consumer goods companies from 2011-2020 with a coefficient of -16.785, a z value of -10.59 and a p. value of 0.000, such that, any unit increase in gearing ratio leads to reduction in financial reporting delay. This finding corroborates those of Susandya, *et al* (2018), Efobi and Okougbo (2015) and Khasharmeh and Aljifri (2010) who found out that gearing ratio has a significant effect of timeliness of financial reports. The finding, however, contradicts those of Adediran*et al*. (2019) and Adebayo and Adebiyi (2016) who observed that gearing ratio has an insignificant effect on financial reports timeliness.

The study show that firm size plays a significant moderating role on the effect of profitability on financial reporting timeliness with a coefficient of -2.0106 a z-stat of -2.7 and a prob. of 0.048, an indication that firm size is a strong moderator on the effect of profitability on financial reporting timeliness of Nigerian consumer good companies from 2011-2020. The study also reveal that firm size plays a significant moderating role on the effect of gearing ratio on financial reporting timeliness with a coefficient of 73.2155, a z-stat of 4.20 and a prob. of 0.001, an indication that firm size is a strong moderator of the effect of gearing ratio on financial reporting timeliness of Nigerian consumer good companies from 2011-2020. produced by Nestle and Cadbury, flour and sugar produced by Northern Nigerian flour mills, Honeywell Flour Mills, Dangote sugar refineries among others.. The employment generation capacity of these companies are enormous; and that helps in building the economy.

In Nigeria today, the need for timely financial information has become so important due to the increasing exposure of Nigerian businesses to international capital markets. The business organizations are under obligation to satisfy the information demands of both local and foreign investors providing them with more timely information in their annual financial reports. From available literature, there are scarcity of studies with moderation in the consumer goods companies in Nigeria and that, there remain mixed conclusions on the effect of corporate attributes on timeliness of financial reports among scholars. For instance, while, Haldar and Mishra (2017) maintain that profitability has no significant effect on timeliness of financial reports, others including Surachyati *et al.* (2019) and Mutiara *et al*. (2018) observed that profitability has a significant effect on timeliness of financial reports. Similarly, scholars including Susandya *et al.*(2018) and Efobi and Okougbo (2016) reported a significant effect of gearing ratio on timeliness of financial reports, while, Adebayo and Adebiyi (2016) and Al-Tahat (2015) observed that gearing ratio has no significant effect on financial reports timeliness.

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

Based on the findings of this study, the following conclusions can be drawn:

a) That profitability is strong determinant of timeliness of financial reports in the consumer goods companies in Nigeria in that it exerts a significant negative effect on financial reports delay. Gearing ratio which is the proportion of the companies' capital that is borrowed is also a strong determinant of financial reports timeliness in these companies because it encourages early release of reports.

5.2 Recommendations

i) Managers of consumer goods companies should ensure they deploy their resources to channels that will increase their ability to make profit as increase in their profitability will motivate them to release their financial reports without delay.

ii) Gearing (borrowing) even though has significant effect on financial report delay should be handled with due diligence to avoid being counter-productive in case the cost becomes too high for the company to bear.

iii) Firm size should be considered as a strong and useful moderator on the effect of profitability, gearing ratio and board size on financial reporting timeliness of Nigerian consumer goods companies; and

iv) In investigating the effect of gearing ratio on financial reporting timeliness, firm size should be considered as a useful moderating variable as it plays significant moderating role in that relationship.

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