Article

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CORPORATE GOVERNANCE AND FINANCE REPORTING TIMELINESS: A STUDY OF AGRICULTURAL FIRMS IN NIGERIA

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Abstract

This study examined corporate governance and financial reports timeliness in Nigerian quoted agricultural firms, using board size and audit committee a proxy for independent variables. *Ex-Post Facto* research design was adopted by the study. Data were obtained from the annual reports and audited accounts of the companies under assessment from 2012 to 2022. Data were analyzed using descriptive statistics and inferential statistics include; Pearson correlation coefficient and Panel data regression technique via E-Views 9.0 statistical software, using 95% confidence interval. Thus, the outcome revealed that there is a significant effect between board size, firm size and timeliness of financial reports in Nigerian quoted agricultural firms at 5% level of significance. However, audit committee size has no significant effect with timeliness of financial reports in Nigerian quoted agricultural firms at 5% level of significance. Based on the findings, the study recommended among others that firm should maintain optimum number of boards, since the proponents of large board size provides an increased pool of expertise because larger boards are likely to have more knowledge and skills at their disposal.

Keywords: Board size, Audit committee and Financial reports timeliness

Introduction

The quality of financial reporting has remained an issue of major concern among professional accountants, regulators and other users of financial information. This is due to the fact that financial reporting has been a principal means of communicating the results of transactions and events which transpired within the organization to the outsiders; who may use such information to assess the economic performance and condition of a business as well as a guide in making economic decisions.

Hence, the expectation of every user of financial information is that such information will help them in gauging the health status of the reporting entity and in making informed financial decisions (Ehijiele & Olukoya, 2018). However, events in recent times, mainly the series of corporate scandals (such as Enron, Worldcom and several Nigerian banks) have placed staid doubt on the

quality of financial reports circulating in our corporate environment and their capacity to meet the expectations and needs of the users.

Financial statements reported by firms play a vital role in the decisions of investors, creditors and shareholders. The efficiency of financial markets strongly depends on the quality of financial statements reported by firms. Timeliness is one of the qualitative characteristics that enhance the usefulness of financial statements (Ahmet, 2019). Therefore, research into factors affecting timeliness of corporate financial reporting helps regulatory agencies formulate new policies that enhance efficiency of financial markets (Ahmet, 2019). Financial reporting is a way of Companies' communication through divulging any financial or non-financial information with the annual reports to a wide range of users. In particular, financial statements play a major role for the parties with the different purposes in decision making. High-quality and useful accounting information require qualitative characteristics, such as the relevance of information, comparability, reliability and understandability (Ömer, 2017). Timeliness is one of the main determinants of financial reporting quality and transparency of which can be attributed to the corporate governance principles. International Accounting Standards Board (IASB, 2010) and Financial Accounting Standards Board (FASB, 2010) regard timeliness as one of the prominent aspects of financial statements. Accounting information tends to become stale over time. In the competitive business environment, stale accounting information is less relevant to creditors and investors.

Timeliness of financial reporting is one of the characteristics of a good financial statement. It is seen as one of the features of information in financial reporting. In achieving organization objectives, financial report must be available on time to inform decision making (Emeh & Appah 2013). Timeliness of financial report explains that financial report should be published within 30 -270 days after the end of the accounting year. This is based on the fact that with the passage of time, accounting information becomes useless and less meaningful and irrelevant to decision making. Alexander and Britton, (2010) in Emeh & Appah (2013), reported that information should be provided to the user in time for use to be made of it. Delay in releasing of the financial statements increases uncertainty associated with investment decisions (Atkas & Kargin, 2011). This delay will reduce the relevance of such information. In other words, delay to know all facts by the auditor might render the financial report less useful to the users even though it may be highly reliable when later released to the public. Timeliness of the financial report has been one of the good qualities of an organization. Many organizations always failed in reporting their financial statements to the public on time due to either problem from the board of directors, audit committee or external auditor.

A lot of research on timeliness of financial reporting has been carried out mostly on developed economies, and sparse literature is available from the developing countries like Nigeria especially the banking industry, and not much recent was conducted on this area. More so, the effect of corporate governance on timeliness of financial reporting in Nigeria has been a bone of contention amongst authors. Some researchers have argued for and some against equal timeliness of financial reporting. Based on the inconsistency on the previous reports, and periods under review, besides, most of the studies used either commercial banks or manufacturing companies without considering nomination committee as one of the corporate governance variables, thereby create a sectorial gap as well variable gap, to the best of researcher's knowledge, none of these prior studies draw attention on agricultural firms to test their timeliness of their reporting periods. This study therefore set out to determine the effect of corporate governance on financial reporting timeliness in Nigerian agricultural firms.

The main objective of this study is to determine the effect of corporate governance on timeliness of financial reporting of Nigerian agricultural firms from 2012 to 2022.

The specific objectives are:

(i) To ascertain the effect of board size on the timeliness of financial reporting in Nigerian agricultural firms.

(ii) To examine the effect of audit committee on the timeliness of financial reporting in Nigerian agricultural firms.

CONCEPTUAL REVIEW

Corporate Governance

Governance could be conceptualized as the manner in which power is exercised in the management of economic and social resources for sustainable human development. It addresses the leadership role in the institutional framework (Ben Kwaeme, 2018). According to Amr and Ahmed (2008), governance is a 'vital ingredient in the maintenance of the dynamic balance between the need for order and equality in society; promoting the efficient production and delivery of goods and services, ensuring accountability in the house of power and the protection of human rights and freedom." Governance is therefore, system, practices and procedures that govern institutions, the manner in which these rules and regulations are applied and followed, the relationships created by these rules and nature of the relationships. (Ben Kwaeme, 2018).

Also, according to Nainawat and Meena (2013), corporate governance encompasses issues of board composition and structure, the board's remit and the framework of the board's accountability to its stakeholders. It also concerns how the board delegates authority to manage the business throughout the organization. The word 'Corporate Governance' (CG) has become a buzzword these days due to various corporate failures world over in recent past. Corporate Governance represents the value framework, the ethical framework and the moral framework under which business decisions are taken. In other words, when investment takes place across national borders, the investors want to be sure that not only their capital handled effectively and adds to the creation of wealth, but the business decisions are also taken in a manner which is not illegal or does not involve moral hazards (Nainawat & Meena 2013). Corporate Governance basically denoted the rule of law, transparency, accountability and protection of public interest in the management of a company's affairs in the prevailing global and competitive market milieu (Enofe, Aigboduwa & Okuonghae, 2015).

Board Size

Board size is believed to be the basic aspect of the effective decision making. Board size refers to the total number of directors on the board of any corporate organization. The optimal size for a board of directors is an issue for a company, with a big-sized board facing coordination challenges and a small-sized one being appropriate for coordination but lacking necessary competence and experience (Matoussi & Chakroun, 2007. According to them, large-sized boards could result in meaningless discussions coupled with time-consuming and difficult realization of outcomes and a lack of cohesion. The Jordanian Corporate Governance Code establishes that the board size should neither be too large or too small but should be appropriate in size to enable active and effective member participation and that the members should be capable of effectively carrying out their duties. The Code also mentions that the board member size is left to the discretion of the firm but that size should not be less than 5 and not more than 13 (Abed, Attar, & Suwaidan, 2012).

Determining the ideal board size for an organization is very important because the number and quality of directors in a firm determines and influences the board functioning and hence corporate performance. Empirical research has acknowledged that company size may be related to firm performance and board size. Earlier studies demonstrate that smaller boards are associated with better firm performances. Proponents of large board size believe it provides an increased pool of expertise because larger boards are likely to have more knowledge and skills at their disposal.

Audit Committee

An audit committee is an operating committee of the Board of Directors charged with oversight of financial reporting and disclosure. Committee members are drawn from members of the company's board of directors, with a Chairperson selected from among the committee members. The Companies and Allied Matters Act (CAMA), 1990 states that a public limited liability company should have an audit committee (maximum of six members of equal representation of three members each representing the management/

directors and shareholders) in place. The members are expected to be conversant with basic financial statements. The audit committee's function has evolved over the years. The primary objective of an Audit Committee is to increase the credibility of annual financial statements, assist directors in meeting their responsibilities and enhance audit independence. Ika and Ghazali (2012) stated that the relationship between the effectiveness of an audit committee and the timeliness of financial reports lies in the notion that an effective audit committee that diligently oversees financial reporting will impact the financial reporting quality which, in turn, will result in timely publication of financial information. They added that the effectiveness of the committee is a crucial factor that positively influences the timeliness of financial reports. Along the same line, Islam, Islam, Bhattacharjee, and Islam (2010) revealed that an audit committee is a mechanism that controls management incentive issues including the manipulation of financial statements to obtain the best rewards. In this regard, an effective audit committee enhances the quality and credibility of annual audited financial reporting.

Timeliness of Financial Reporting

Timely corporate financial reporting is an imperative qualitative trait and a essential part of financial accounting. Financial information needs to be readily available to its users as swiftly as possible to make corporate financial statement information pertinent decision-making process (Ehijiele & Olukoya, 2018). Timely reporting on financial statements is needed for healthy financial markets. Timeliness in financial reporting augments the efficacy of the financial information. The timeliness of audited financial reports is considered vital and significant determinant influencing the usefulness of financial information made available to external users (Aljifri & Khasharmeh, 2010). Audit report lag, which is the number of days from fiscal year end to audit report date, or inordinate audit lag, jeopardises the quality of financial reporting by not providing timely information to investors. Delayed disclosure of an auditor's opinion on the true and fair observation of financial information prepared by the management exacerbates the information asymmetry and increases the uncertainty in investment decisions (Mohamad-Nor, Shafie & Wan-Hussin 2010).

Researchers such as Stiti and Aminul (2012), Mbobo and Adebimpe (2016) and Adebayo and Adebiyi (2017) have conducted general reviews on various facts surrounding the timeliness of financial reporting. According to these studies, accounting standards convergence, accounting standards harmonization, economic crises, growth in disclosure requirements, and other factors have created an excessive focus on financial reporting. The timely release of financial reporting of an organization determines the value of accounting reporting available to the stakeholders and the general public (Salehi & Nassirzadeh, 2012). Across the world, the demand has gone out for providing a timely, clear and full definition of financial reporting. It is essential to provide timely and high-quality financial reporting to influence users in making investments decisions, and to enhance market efficiency. Providing ideal methods for assessing the quality of financial reporting is another global demand. The earlier the release of financial report, the more significant is the benefits to be gained by investors and users of the financial reports. Moreover, financial reporting is a broad concept that does not just refer to financial information; it also includes other non-financial information that is useful for making decisions (Adebayo & Adebiyi, 2017). Turel (2010) posited that timeliness of financial statements is one of the important determinants of financial reports. He argues that irrespective of whether one chooses to call timeliness an objective of accounting or an attribute of useful accounting information, it is clear that both the disclosure regulations and a large part of the accounting literature adopt the premise that timeliness is a necessary condition to be satisfied if financial statements are to be useful. Timely financial reporting is an essential ingredient for a well-functioning capital market. Undue delay in releasing financial statements increases uncertainty associated with investment decisions (Aktas & Kargin, 2011).

Consensus has not been reached with regards to the factors responsible for the difference observed in the delay of financial reports across

countries. Some studies such as McGee and Yuan (2008) attributed the delay by Chinese companies to the extent of their corporate governance. Lai and Cheuk (2005) emphasized that the audit partner's rotation, audit firm's rotation are able to explain the delays in the release of the financial reports of Australian companies. Afify (2009) noted that the corporate governance variables such as the independence of the board, CEO duality and the audit committee can significantly impact on the timeliness of financial reports of Egyptian companies.

Empirical Review

Ibadin and Afensimi (2015) examined the determinants of audit report lag in Nigeria. They used panel data extracted from annual reports and accounts from 2005 to 2012 of 37 quoted companies on the Nigeria Stock Exchange. The secondary data were analyzed using the fixed effect model of regression. They found a positive and significance relationship between leverage and financial reporting timeliness. Mouna and Anis (2016) investigated the relationship between the timeliness of the financial reporting and the corporate governance proxies for companies quoted on the Tunisian stock exchange during 2009. They collected secondary data from corporate annual reports downloaded from the Tunisian Stock Exchange website. The data were analyzed using correlation and Multiple Regression Analysis. The cross-section data covers only 2009. Firm with good news tend to publish report earlier, (Mouna & Anis, 2013). Found negative and statistically significant relationship between profitability and financial reporting timeliness in quoted Tunisian companies. Clatworthy and Peel (2016) investigated the extent to which the timeliness of UK private companies' accounting information reflects regulatory and economic influences by studying the impact of a one month shortening of the statutory regulatory filing deadline. They studied 31,147 small private companies in United Kingdom (UK). The data for 2010 to 2011 were analyzed using descriptive statistics, correlation and multiple regression analysis. Data were obtained from the Bureau van Dijk Financial Analysis Made Easy (FAME) April 2010 and April 2011 discs, which contain data for the population of UK private firms. Found a negative relationship with between profitability and financial reporting timeliness. Ömer (2017) investigated the effects of both firm and audit - specific factors on the timeliness of financial reporting practices of firms listed on Borsa Istanbul using panel data methodology. This study employs a data set containing annual data from 150 non-financial Turkish listed companies in Borsa Istanbul between the years 2009 – 2014 to document their reporting behaviors.

Descriptive analysis indicates that average reporting time is 69 days for the whole sample and 62 days and 74 days for individual and consolidated financial statements respectively. In line with prior studies, firm size, dividend per share, auditor type and good news (income), unsurprisingly, has a significant negative impact on timeliness behavior of sample firms. In addition, financial statement type (individual and consolidated financial statements) also has a significant effect on reporting time. On the other hand, price to book ratio and leverage of firms have no significant impact as hypothesized. Mutiara, Zakaria, and Anggraini (2018) examined 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. Data were obtained from a purposive sample size of nineteen companies. The data were for 2013 to 2015.

The data were analyzed using double regression analysis. They found a negative but statistically insignificant relationship between leverage and timeliness of financial reporting. They concluded that leverage has no significant effect on audit reporting lag (and timeliness of financial reporting). Chukwu and Nwabochi (2019) examined the effect of the characteristics of audit committee on timeliness of corporate financial reporting in the Nigerian insurance industry. Used ex post facto research design, and used secondary data extracted from the annual reports of 15 insurance firms quoted on the Nigerian Stock Exchange during the period 2012 to 2015. Data were analyzed using the Ordinary Least Square method of multiple regressions. They found negative but insignificant

relationship between leverage and financial reporting timeliness. Savitri, Raja, and Surya (2019) examined the effects of profitability, leverage, firm size, outsider ownership, the reputation of the public accounting firm and financial risk on the timeliness of financial report submissions. Data were analyzed using the logistic multiple regressions and descriptive statistics. Found negative but not statistically significant relationship between leverage and financial reporting timeliness. They used purposive sampling technique in selecting a sample of 78 companies from the trade, services and investment companies listed in Indonesia Stock Exchange in 2014-2016. They concluded that companies do not consider leverage as something that will affect their public image so it can be concluded that leverage does not affect the timeliness of financial reporting.

Agbaje and Oladutire (2019) examined the relationship between corporate governance and timeliness of financial reporting of the listed companies in Nigeria. In other to fulfil the specific objectives, the study adopted the ex-post facto research design which forms part of quasi-experimental design. A sample of 20 companies is selected from all the sectors listed on the Nigeria stock exchange**.** Period covered ranges from 2011-2015. Data were sourced through secondary source. The secondary data were extracted from the annual reports and accounts of the 20 sampled firms for the period 2011 to 2015. Descriptive Statistics, Correlation and Linear regression was used to analyze the data in order to establish relationship between the variables. Findings revealed that proxies of corporate governance used, such as CEO-duality, board size, and audit committee exhibit positive and significant association with proxies used for firm value which is reporting time lag of listed companies in Nigeria. Ahmet (2019) analyzed factors that influence timely corporate financial reporting by using a sample that includes 90 manufacturing firms listed on Borsa Istanbul over the period of 2014-2017.

The results of regression analysis reveal that firm size, type of audit firm, board independency, profitability and leverage significantly affect the timeliness of financial statements. The findings of empirical analysis provide vital implications for regulatory agencies. Noegrahini (2020) examined the combined effect of financial factors and public ownership on the timeliness of financial reporting. The paper used SPSS version 22 to examine the effect of public ownership and financial factors on financial reporting timeliness. A sample of 25 listed Indonesian firms (consumer goods industries) covering the period of 2014 to 2016 was used for the study. using regression analysis, the findings of the study showed that public ownership had a negative relationship with the timeliness of financial reporting which is contrary to the result of most previous studies. The results of this study did not find any significant relationships between the financial factors (profitability and capital structure) and financial reporting timeliness. Oyinlola, Folajin, and Olowe (2020) investigated the impact of corporate governance on timely financial reporting of enterprises in emerging and developed nations. The sample size, range, median, mean, and p-value for both samples are displayed in descriptive statistics. Companies in developing economies reported financial results on average 97.1 days after the end of the fiscal year, compared to 65.8 days for businesses in developed economies. The medians for the developing and developed economies were, respectively, 82 and 53 days. The median data suggests that the average developing company reports financial results 29 days later than the average developed company. The differences in time delay were significant at the 1% level according to a Wilcoxon test (p-value: 2.077e-27).

Aigienohuwa and Ezejiofor (2021) examined the relationship between leverage and timeliness of financial reports in Nigerian quoted companies. *Ex Post Facto* research design was adopted for the study. The population of the study consists of 145 quoted companies in Nigeria. The sample size was determined using Taro Yamane method. Data were sourced from the content analysis of annual reports and accounts of the selected quoted Nigerian companies for ten years from the year 2010 to 2019. The panel data regression technique was used to estimate the relationship between the variables with aid of e-view 9.0 software. The outcome of the study

revealed that firm leverage has no significant relationship with timeliness of financial reports in Nigerian quoted companies at 5% level of significance. Oranefo (2022) determined the effect of corporate governance aggregates on the timeliness of financial reporting in Nigerian consumer manufacturing companies, using board independence and firm size as the independent variables.

Ex-Post Facto research design was employed for the study. Data were extracted from annual reports and accounts of the sampled consumer manufacturing companies from 2011 to 2020. From the regression analysis, it was observed that board independence and firm size have a positive and significant effect on timeliness of financial reporting at 5% level of significance. Fatimehin, Ezejiofor and Olaniyi (2022) looked at how two African nations' financial reporting was timely; (Nigeria and Ghana). A research design known as ex post facto was used. By choosing the two feasible nations from their Stock Exchanges, this study uses the stratified random sampling methodology. To determine whether there was a significant relationship between the variables, the retrieved data were evaluated, and hypotheses were tested using multiple regression analysis. The analysis demonstrates that bank size in the two nations has a favorable, albeit small, impact on the promptness of deposit money banks' financial reporting in Nigeria and Ghana. The findings indicate that there is a weak negative correlation between deposit money banks in Nigeria and Ghana's timely financial reporting and return on assets.

Ashibuogwu (2022) examined the relationship between board characteristics [BOD] and the timeliness of financial statements [TIM]. The characteristics of the BOD examined in this study include board independence, board size, board gender diversity and board diligence. Data were collected from annual reports of 15 listed commercial banks on the Nigerian Stock Exchange (NSE) for the period between 2012 to 2018. Using regression analysis, the results show that board size, board gender diversity and board diligence have significant effects on the TIM. Board gender has a negative effect on the TIM. However, the board independence showed no significant effect. Okerekeoti and Ezejiofor (2022) ascertained the effect of corporate governance compositions on timeliness of financial reporting in deposit money banks in Nigeria. Ex Post Facto research design was employed for this study. Purposive sampling was used to select eight (8) deposit money banks in Nigeria with international authorization. Data were extracted from annual reports and accounts of the sampled banks and analyzed with regression analysis. The results show that board size has a positive and significant effect on financial reporting timeliness deposit money banks in Nigeria, while audit committee independence has a positive but insignificant effect on financial reporting timeliness of deposit money banks in Nigeria. Sheron and Dumisani (2023) determined the impact of firm characteristics on the timeliness of corporate internet financial reporting in Malawi. The research is a quantitative study, guided by the post-positivist philosophy and a deductive approach. Content analysis of secondary data was done through a disclosure index on corporate internet financial reports. Regression analysis was performed to find the impact of firm characteristics variables (leverage, size, and profitability) on the dependent variable timeliness of corporate internet reporting.

The study focused on 50 companies, comprising of 13 listed companies on the Malawi Stock Exchange and 37 limited companies that are not listed using their industry sector. The study found out that 86% of the sampled listed and non-listed companies had a corporate website. Of these, 24% are engaged in internet financial reporting which signifies a low level of internet financial reporting in Malawi. In addition, the researchers found out that of those presenting financial reports on their website, the lag time is more thus making the information not to be timely presented to the stakeholders.

METHODOLOGY

Research Design

Ex-Post facto research design was adopted for the study. *Ex-post facto* means after the event, meaning that the events under investigation had already taken place and data already exist. This is

appropriate because the study aims at measuring the existing data which are not manipulated. This involves use of financial accounts of organizations to generate the financial analysis that will determine the significant difference.

Population of the Study
The population of the study consist of the five agricultural firms quoted on the Nigerian Exchange Group. The study covered ten years annual reports and accounts of these companies from 2012 to 2022. The firms are as stated below:

Table 1: List of Agricultural Firms in Nigeria.

Companies
Ellah Lakes Plc
Ftn Cocoa Processors Plc
Livestock Feeds Plc
Okomu Oil Palm Plc
Presco Plc

Source: Nigerian Exchange Group, 2024

Sample Size and Sampling Techniques
The researcher used all the five agricultural firms quoted on the Nigerian Exchange Group for the sample size

Source of Data
To obtain reliable information that will help the researcher to ensure the effectiveness of the study in question, data were collected from only secondary source. The data were obtained from the annual reports and audited accounts of the companies under assessment from 2012 to 2022. The variables include; board size, audit committee and nomination committee for independent variables, while timeliness of financial reports represent dependent variable, and firm size is the control variable.

Model specification
This study adapts the model of Clatworthy and Peel (2016) which examined firm characteristics and financial reporting timeliness. Clatworthy and Peel (2016) model is presented below:
The model specification is shown below:
Timeliness = f (Firm characteristics)

$T_{it} = \beta_0 + \beta_1 FSIZE_{it} + AUDO_{it} + e_{it}$ i

$T_{it} = \beta_0 + \beta_1 LEV_{it}\ AUDO_{it} + e_{it}$ ii

$T_{it} = \beta_0 + \beta_1 PROFIT_{it} + AUDO_{it} + e_{it}$ iii

$T_{it} = \beta_0 + \beta_1 FAGE_{it} + AUDO_{it} + e_{it.}$ iv

$T_{it} = \beta_0 + \beta_1 LIQ_{it}\ AUDO_{it} + e_{it..}$ v

Where T = Timeliness of Financial reports as defined as the number of days from financial year end till the date of publication
FSIZE = Firm Size
LEV = Leverage
PROFIT = Profitability
FAGE = Firm Age
LIQ = Firm Liquidity
AUDO = Auditor Opinion
e = Stochastic error term
i = Firm 1 to 143
t = Year 1 to 10
β_0 = autonomous variable
β_1, β_2, and β_3, β_4, are coefficients of the independent variables
This modified model for the study was presented below:

Timeliness = f (Corporate governance)

$TIM_{it} = \beta_0 + \beta_1 BDZ_{it} + e_{it}$ i

$TIM_{it} = \beta_0 + \beta_2 ADC_{it} + e_{it}$ ii

Where TIM = Timeliness of Financial reports as defined as the number of days from financial year end till the date of publication
BDS = Board size
ADC = Audit committee
e = Stochastic error term
i = Firm 1 to 5
t = Year 1 to 11
β_0 = autonomous variable
β_1, β_2, are coefficients of the independent variables

Method of Data Analysis
Data were analyzed using descriptive statistics and inferential statistics generated from E-Views 9.0 statistical software, using 95% confidence interval as in Aiken and West (1991). This study employed the following statistical tools:

Pearson correlation coefficient: is a good measure of relationship between two variables, tells us about the nature and strength of the relationship between the study variables.

Panel data regression technique: was employed since the data set includes both time series and cross-sectional data that are pooled into a panel data set and estimated using panel data regression. Regression analysis predicts the value of a variable based on the value of the other variable and explains the level of significance and effect of changes in the values of variable on the values of the other variables.

Decision rule:
Using E-view, 5% is considered a normal significance level. The accept reject criterion was based on the p-value, if the p-value is less than 0.05 the alternative hypothesis will be accepted, otherwise alternative hypothesis will be rejected.

DATA ANALYSIS AND RESULTS

Table 1: Descriptive Analysis

	TIM	BDS	ADC
Mean	334.8182	6.636364	5.272727
Median	365.0000	7.000000	5.000000
Maximum	729.0000	8.000000	7.000000
Minimum	69.00000	6.000000	3.000000
Std. Dev.	242.0520	0.674200	1.103713
Skewness	0.229102	0.509117	-0.560870
Kurtosis	1.691676	2.324000	2.916574
Jarque-Bera	0.880762	0.684647	0.579911
Probability	0.643791	0.710118	0.748297
Sum	3683.000	73.00000	58.00000
Sum Sq. Dev.	585891.6	4.545455	12.18182
Observations	11	11	11

Table 1 shows the mean (average) for each of the variables, their maximum values, minimum values, standard deviation and Jarque-Bera (JB) Statistics (normality test). The results in table 1 provided some insight into the nature of the Nigerian banks that were used in this study.
It was observed that on the average over the ten (11) years periods (2012-2022), the sampled agricultural firms in Nigeria were characterized by positive timeliness of financial reports (334.82). Also, the large difference between the maximum and minimum value of the board size (BDS), audit committee (ADC), show that the sampled firms in this study are not dominated by agricultural firms with more timeliness reports.
In this table, the Jarque-Bera (JB) which test for normality or the existence of outliers or extreme values among the variables shows that most of the variables are normally distributed at 5% level of significance. This means that any variable with outlier are not likely to distort our conclusion and are therefore reliable for drawing generalization. This also implies that the least square estimate can be used to estimate the pooled regression model.

	TIM	BDS	ADC
TIM	1		
BDS	0.72263	1	
ADC	-0.50849	0.012217	1

Source: researcher's computation (2024)

The use of correlation matrix in most regression analysis is to check for multi-colinearity and to explore the association between each explanatory variable (BDS, ADC) and the dependent variable (TIM). Table.2 focused on the correlation between timeliness of financial reporting and the independent variables (BDS, ADC). Finding from the correlation matrix table shows that all our independent variables, (BDS=0.723) were observed to be positively associated with timeliness of financial reports except ADC= -0.508; which is negatively associated with dependent variable. In checking for multi-colinearity, we notice that no two explanatory variables were perfectly correlated. This means that there is no problem of multi-colinearity between the explanatory variables. Multi-colinearity may result to wrong signs or implausible magnitudes in the estimated model coefficients, and the bias of the standard errors of the coefficients.

Testing of Hypotheses formulated
In other to examine the impact relationships between the dependent variable Timeliness (TIM) and the independent variables (BDS, and ADC) and to also test our formulated hypotheses, we used a pooled multiple regression analysis since the data had both time series (2012-2022) and cross-sectional properties (agricutitural firms). The pooled interaction based multiple

regression results are presented and discussed in Table 3 below.

Test of Hypotheses

Table 3: Pooled Regression Results

Dependent Variable: TIM
Method: Least Squares
Date: 03/25/24 Time: 17:51
Sample: 2012 2022
Included observations: 11

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-1243.694	500.4702	-2.485051	0.0475
BDS	148.1636	44.50688	3.329006	0.0158
ADC	21.74129	46.49408	0.467614	0.6566

R-squared	0.945129	Mean dependent var	334.8182
Adjusted R-squared	0.908548	S.D. dependent var	242.0520
S.E. of regression	73.19917	Akaike info criterion	11.72720
Sum squared resid	32148.72	Schwarz criterion	11.90806
Log likelihood	-59.49960	Hannan-Quinn criter.	11.61319
F-statistic	25.83663	Durbin-Watson stat	2.366979
Prob(F-statistic)	0.000634		

Source: Researcher's computation through E-view 9.0 statistical package

Interpretation of Regression Result

In Table 3, R-squared and adjusted Squared values were (0.95) and (0.91) respectively. The indicates that all the independent variables jointly explain about 91% of the systematic variations in Altman of our samples banks over the ten years periods (2012-2022). Table 4.3.1 reveals an adjusted R^2 value of 0.91. The adjusted R^2, which represents the coefficient of multiple determinations imply that 91% of the total variation in the dependent variable (Timeniness) of quoted agricultural firms in Nigeria is jointly explained by the explanatory variables (BDS, ADC NMC and FSZ). The F-statistics value of 24.89 with an associated Prob.>F = 0.001 indicates that the model is fit to explain the relationship expressed in the study model and further suggests that the explanatory variables are properly selected, combined and used. The value of adjusted R^2 of 91% also shows that 11% of the variation in the dependent variable is explained by other factors not captured in the study model. This suggests that apart from BDS, and ADC). There are other factors that mitigate timeline of financial report of quoted agricultural firms in Nigeria. The overall results show that corporate governence has significant effect on timeliness of financial reporting of Nigerian agricultural firms (0.000634<0.05).

Test of Autocorrelation: using Durbin-Waston (DW) statistics which we obtained from our regression result in table 3, it is observed that DW statistics is 2.367 and an Akika Info Criterion and Schwarz Criterion which are 11.727 and 11.908 respectively also further confirms that our model is well specified. In addition to the above, the specific findings from each explanatory variable are provided as follows:

Hypothesis One

Ho_1: Board size has no significant effect on the timeliness of financial reporting in Nigerian agricultural firms.

The results in table 3 illustrated that board size (BDS) has a positive but significant relationship with timeliness reporting measured with a beta coefficient (β_1) and t- value of 148.1636 and 3.329006 respectively and p- value of 0.016 which is statistically significant at 5%.

Based on the empirical evidence that suggests that board size has a significant positive effect on timeliness of financial reporting in Nigerian agricultural firms at 5% level of significance, thus, the alternative hypothesis of the study is accepted.

Hypothesis Two

Ho_2: Audit committee has no significant effect on the timeliness of financial reporting in Nigerian agricultural firms.

The results in table 3 illustrated that audit committee size (ADC) has a positive but insignificant relationship with timeliness reporting measured with a beta coefficient (β_1) and t- value of 21.74129 and 0.467614 respectively and p- value of 0.657 which is not statistically significant at 5%.

Based on the empirical evidence that suggests that audit committee size has positive and insignificant effect on timeliness of financial reporting in Nigerian agricultural firms.

at 5% level of significance, thus, the null hypothesis of the study is accepted.

CONCLUSION AND RECOMMENDATIONS

This study examined the effect between corporate governance and timeliness of financial reports in Nigerian quoted agricultural firms. Regression analysis was employed for the study, thus the outcome revealed that there is a significant effect between board size, firm size and timeliness of financial reports in Nigerian quoted agricultural firms at 5% level of significance. However, audit committee size and nomination committee have no significant effect with timeliness of financial reports in Nigerian quoted agricultural firms at 5% level of significance.

From the pool regression result, the p-statistics revealed 0.001 which is less than the 0.05 evident that corporate governance has a significant effect on Nigerian agricultural firms. It implies that the firms used on the average a period of 3 to 5 months (122 days) to release their financial reports. The companies performed better with an average financial reporting time of about 2 months (59 days) compared to those who reported 5 months (153 days). Thus, it implies that a sound corporate governance practice can influence corporate attributes (performance) to enhance the timeliness of financial reporting.

Based on the outcome of the analysis, the study recommended the followings;

1. Firm should maintain optimum number of boards, since the proponents of large board size believe it provides an increased pool of expertise because larger boards are likely to have more knowledge and skills at their disposal.
2. There is the need for effectiveness of an audit committee and the timeliness of financial reports lies in the notion that an effective audit committee that diligently oversees financial reporting will impact the financial reporting quality which, in turn, will result in timely publication of financial information.

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