Corporate Attribute and Financial Reporting Quality of Listed Information Communication Technology Firms in Nigeria

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Abstract
The demand for high quality financial information is increasing. It has become imperative in a developing economy such as Nigeria, especially in the information communication technology (ICT) sector due to globalisation and expansion of businesses beyond the national borders. Accordingly, companies are obliged to satisfy the information needs of both local and foreign investors by providing them with relevant and comparable financial reports. The main objective of this study was to examine the effect of corporate attributes on financial reporting quality of ICT firms listed on the floor of Nigeria Exchange Group from 2013-2022. The independent variable of the study being corporate attributes was proxied by firm size, firm age, firm profitability, auditor type and assets tangibility while the dependent variable being financial reporting quality was measured using the IASB Conceptual Framework qualitative characteristic model. The research design adopted in this study was ex post facto, secondary data was used and the population of study was 11 listed ICT firms in Nigeria. The hypotheses of the study was tested using pool ordinary least square technique and the statistical package employed was E-views version 10. From the outcome of the analysis, it was found out that firm size has a significant but negative effect on the financial reporting quality; firm age has an insignificant negative effect on the financial reporting quality; firm profitability has a negative and insignificant effect on the financial reporting quality; auditor type has significant positive effect on financial reporting quality; firm asset tangibility has a significant but negative effect on the financial reporting quality of ICT firms in Nigeria. Thus, it was concluded that corporate attributes enhance financial reporting quality of firms in Nigeria. Based on the foregoing, it was recommended among others that the management of ICT firms should carefully select reputable and experienced audit firms to enhance the credibility and reliability of their financial statements. More also, ICT firms should reduce the amount of tangible non-current assets in their assets base as they have negative influence on financial reporting quality.

Keywords: *Corporate Attributes, Firms Size, Firm Age, Firm Profitability, Auditor Type, Assets Tangibility, Financial Reporting Quality*

SECTION ONE

1.1 Introduction

Quality constitutes the characterises, feature or attribute of a thing especially something good (Umo, 2023). It defines the standard expected of something, an organis ation or an entiry especially the one that makes it different when compared to something else . In an organisational setting, the quality of financial reporting is the product of governance structure and other specific attributes of a business entity. Information provided by an entity, therefore, must exhibit the attributes of quality, relevance, compatibility, timeliness, verification, usefulness and importance and must also guide investment and other strategic decisions (Umo, 2023). In line with this is the financial reporting quality especially in an emerging market system such as Nigeria. Stakeholders have varying interest in the economic activities of any entity. They need information that are relevant to their decision making and are also understandable, comparable, verifiable and timely.

The growing demand for high quality financial information has become imperative in Nigeria, especially in the Information Communication Technology (ICT) due to globalization and expansion of business beyond the national borders. Thus, companies are obliged to satisfy the information needs of both local and foreign investors by providing them with relevant and comparable financial reports. Admittedly, it is obvious that only companies with certain characteristics or attributes provide financial report that meet the qualitative characteristics of accounting information as provided by the International Accounting Standards Board (IASB).

1.2 Statement of the problem

Poor financial reporting quality has been the root cause of corporate scandals involving earnings management, improper disclosure and other manipulations of financial reports in many sectors of the Nigerian industry. Extreme lapses in FRQ have given rise to high profile scandals that resulted not only in investors' losses but also in reduced confidence in the financial reporting system. Information and Communication Technology (ICT) firms in Nigeria like any other firms are not an exception from these financial statements misrepresentations. Large, profitable, experienced and long standing firms with strong assets base still have their financial statements prone to manipulations. Even those that have independent and reputable audit firms are still confronted with these corporate scandals. Investigating how these attributes intersect with the unique dynamics of ICT firms would provide valuable insights into the determinants of reporting quality.

A major gap identified in the empirical review is that most of the related studies focused on other sectors of the economy such as manufacturing sector (Handoyo et al., 2023); consumer goods companies (Olowookere 2021), industrial goods sector(Fagbemi et al., 2022); real estate (Dewi & Fachrurrozie, 2021). But this study took a step further and focused on information communication technology (ICT). Another remarkable gap was that most of the studies used other measures of financial reporting quality such as earnings persistence and accruals; earnings smoothness; asymmetric timeliness and timely loss recognition; and target beating (Olowokure et al., 2016; Ifeanyichukwu & Ohaka, 2019; Adedapo & Olawale, 2019;Echobu et al., 2019). But this study made use of IASB qualitative characteristic and a disclosure checklist was developed based on these qualitative attributes. In addition to these, some of the studies focused on the effect of firm characteristics on other performance measures such as financial performance (Akenroye et al., 2022); capital structure (Bukair, 2019; Mbonu &Amahalu, 2021; Dewi & , 2021 Fagbemi et al., 2022).

More also, most of the researches presented somewhat conflicting results, with some researchers concluding positive and significant effect while other authors reported negative or no effect of corporate attributes on financial reporting and thus, there was no consensus concerning the actual effect of corporate attributes on financial reporting quality of firms. Hence, it was based on these established gaps that this study investigated the effect of corporate attributes on the financial reporting quality of listed ICT firms in Nigeria.

1.3 Objectives of the study

The main objective of this study was to ascertain the effect of corporate attributes on financial reporting quality of listed ICT firms in Nigeria. Specifically, the study was undertaken to achieve the following;

1. to examine the effect of firm size on financial reporting quality of listed ICT firms in Nigeria;
2. to evaluate the effect of firm age on financial reporting quality of listed ICT firms in Nigeria;
3. to determine the effect of firm profitability on financial reporting quality of listed ICT firms in Nigeria;
4. to determine the effect of auditor type on financial reporting quality of listed ICT firms in Nigeria; and
5. to determine the effect of firm asset tangibility on financial reporting quality of listed ICT firms in Nigeria.

1.4 Research questions

In order to achieve the above objectives, the following research questions were raised;

1. what effect does firm size have on financial reporting quality of listed ICT firms in Nigeria?
2. to what extent does firm age affect the financial reporting quality of listedICT firms in Nigeria?
3. what magnitude of effect does firm profitability have on the financial reporting quality of listed ICT firms in Nigeria?
4. what effect does auditor type have on financial reporting quality of listed ICT firms in Nigeria?
5. to what extent does firm asset tangibility have on financial reporting quality of selected ICT firms in the Nigeria?

1.5 Research hypotheses

The following hypotheses were formulated for the study;

Ho1: Firm size has no significant effect on the financial reporting quality of listed ICT firms.

Ho2: Firm age has no significant effect on the financial reporting quality of listed ICT firms.

Ho3: Firm profitability has no significant effect on the financial reporting quality of listed ICT firms.

Ho4: Auditor type has no significant effect on the financial reporting quality of listed ICT firms.

Ho5: Firm asset tangibility has no significant effect on the financial reporting quality of listed ICT firms.

1.6 Scope of the study Content scope

This study examined the effect of corporate attributes on financial reporting quality of selected ICT firms in Nigeria. The independent variable (corporate attributes) was proxied by firm size, firm age, firm profitability, auditor type and firms' asset tangibility while the dependent variable (financial reporting quality) was proxied by IFRS qualitative characteristics model.

Geographical scope

The study focused on information and communication technology (ICT) firms listed on the floor of the Nigeria Exchange Group and covered a span of ten years (2013- 2022). The ICT sector was selected because it is the major driver of economic growth and innovation and has profound impact on the society affecting communication, education, healthcare, commerce and many aspects of daily life. Thus the quality of their financial statements is paramount to the investors and the general public at large since this sector affect almost all facets of human life. Also, the ICT sector was selected because this sector seems to be neglected in prior studies carried out in Nigeria in relation to the effect of corporate attributes on financial reporting quality.

Unit scope

unit of analysis for this study will be eight ICT firms listed on the floor of the Nigerian Exchange Group. These companies will include Africa prudential Plc, E-transact international Plc, NCR Plc, Omatech Plc, Courtville Business Plc, Chams Plc, Computer warehouse group, Triple gee Plc.

1.7 Significance of the study

This study contributed to the knowledge and awareness of the effect of corporate attributes on financial reporting quality of listed ICT firms in Nigeria. It is anticipated that the findings would specifically benefit the following group of people;

Investors and financial analysts: The findings of this study would give insights into the factors that affect financial reporting quality and how to evaluate a firm's financial performance. Such findings would help investors to make informed investment decisions and to identify potential risks and opportunities in the ICT sector.

Practitioners: Practitioners, such as managers, auditors, and consultants, would find this study useful in providing insights into the factors that affect financial reporting quality and how to improve it. This study would help managers to identify areas where improvements can be made in their financial reporting practices and to benchmark their performance against industry standards.

Regulators: Regulators, such as the Securities and Exchange Commission (SEC) and the Nigerian Exchange Group (NSX), Financial Reporting Council of Nigeria (FRCN) and other bodies would find this study relevant in their efforts to improve transparency and accountability

in the ICT sector. The findings would also help regulators to identify areas where further regulations or enforcement are needed to ensure that firms comply with reporting standards.

Government: The findings of this study would be beneficial to government as this sector is one of the major drivers of the economy. Thus the findings of this study would help government in the quality of policies and program to enhance the sustainability of financial reporting in this sector.

Researchers: Researchers in the fields of accounting, finance, and ICT would benefit from this study's findings as it would provide insights into the financial reporting practices of ICT firms in Nigeria. The study will boost the existing literature on financial reporting quality and earnings management, particularly in the context of emerging markets.

SECTION TWO
REVIEW OF LITERATURE

2.1 Conceptual Framework.

2.1.1 Corporate Attributes

Corporate attributes refer to those characteristics exhibited by a firm and which also influence the firm's behaviour and performance. These attributes include firm size, age, profitability, auditor type, among others (Bashir, 2019). They can affect a firm's financial reporting quality, either positively or negatively. An understanding of the relationship between these attributes and financial reporting quality is crucial. The impact of firm size, firm age and firm profitability, auditor type and assets tangibility on financial reporting quality of ICT firms deserves due concern. Firm size is an essential attribute as larger firms may have more resources to invest in financial reporting systems and attract more scrutiny from stakeholders (Aljinović et al., 2021).

Age is another important attribute as older firms' may have established more robust financial reporting processes and may be more transparent (Baboukardos et al., 2021). Profitability is also a critical attribute as profitable firms may have more incentive to report accurately to maintain their reputation and attract more investors (Ahmed et al., 2018) . High audit quality which translates into high financial reporting quality is associated with large audit firms because of superior resources to perform audit, wide client network and non-dependency on a particular client than smaller audit firms (DeAngelo, 2018). They also have greater incentives to protect their established reputation by performing high quality audits so as not to be associated with audit failure. Tangible assets provide a tangible book value that serves as a floor for a firm's valuation (Damodaran, 2012). Investors and analysts consider the composition and quality of tangible assets in their assessment of a firm's financial health and long-term prospects.

Financial reporting quality entails the faithful representation and relevance of the information conveyed by the financial reporting process (Masud, 2022). The quality of financial reports has received massive attention due to various scandals arising from earnings management and misrepresentation of financial report in recent years. Large companies had collapsed and investors misled as a result of poor financial information quality occasioned by earnings management. Financial reporting quality has always been of interest among regulatory bodies, shareholders, researchers and the accounting profession itself. This is because financial reporting has been a principal means of communicating financial information to outside users and the financial report itself is used in assessing the firm's economic performance and condition in the quest to monitor management's actions and assists in making economic decisions (Johnson et al., 2022).

2. 1. 2 Firm size

The size of a firm refers to the volume or scale of operation turned out by a firm. The size of a firm significantly affects the profitability and efficiency of the firm. Firm size refers to the total assets, sales revenue, or number of employees of a company. It is one of the most widely used measures of a firm's scale or scope of operations. The firm size in most cases is measured by its asset size (Saheed, 2018). A large firm is expected to have a well-structured accounting and internal control department and should be able to afford the services of professionals who are expected to enhance the financial reporting process (Chalaki et al., 2021). They are also likely to have a well-built information system enabling them to track all financial and non-financial information for operational, tactical and strategic purposes (Saheed, 2018).

In addition, large firms are able to engage the services of one of the big auditing firms to audit their financial statement which is expected to enhance the quality of financial reporting (Thoopsamut & Jaikengkit, 2019) because the big audit firms are expected to be very professional in their auditing and be concerned over their reputations. In the existing literature, numerous studies have found a significant relationship between firm size and the level of disclosure (Archambault & Archambault, 2013; Lang & Lundholm, 2019).

The positive association between firm size and disclosure can be attributed to several reasons. Firstly, the disclosure of detailed information incurs significant costs, which may be prohibitive for smaller firms. In contrast, larger firms have more resources at their disposal, making it easier to generate the required information internally and disclose it publicly at a lower marginal cost. Secondly, larger firms tend to have a broader business scope, offering a wider range of products and services across multiple geographies (Umo, 202). This diversity often necessitates detailed information for management purposes, making it more likely that such information will also be disclosed publicly. Moreover, larger firms often rely on financial markets to raise funds more frequently than smaller firms. They understand that the cost of capital and the success of new securities issuance are closely tied to the extent of disclosure to stakeholders (Kalbuana et al., 2021). Finally, small firms may be hesitant to disclose detailed information due to concerns about a competitive disadvantage with larger firms within the same industry (Buzby, 2019). Therefore, larger firms are more likely to disclose information publicly, which can enhance their reputation and improve their ability to attract investment.

2.1.3 Firm age

Firm age is a significant variable that has been studied extensively in the accounting and finance literature. The age of a firm is an important determinant of its financial reporting quality, which refers to the degree to which a firm's financial statements are reliable and informative to its stakeholders. Firm age refers to the length of time a company has been in operation since its incorporation. It is an important variable because it can affect a company's growth potential, survival rates, and financial performance (Hitt et al., 2017).

Moreover, long established firms might have improved their financial reporting practices over time (Alsaeed, 2016) and can enhance their reputation and image in the market, so the older the firm the higher the tendency to perform or engage in superior financial information disclosures. Usually, long established firms are audited by one of the big auditing firms and based on (Ali et al., 2019) big audit firms have incentive to report material misstatements in order to protect their reputation. In addition, governmental agencies always pay attention to firms that have been in the market for a long time more than the newly entered firms, therefore, when the age increases, the firm tends to improve its governance by issuing high quality financial reports without manipulations. (Chalaki et al., 2021).

2.1.4 Firm profitability

Profitability is the degree to which a business yield profit or financial gain. It is the ability of a company to use its resources to produce and generate revenues in excess of its expenses (Umo, 2023) . In order words, it is the capability of a company to generate profits from its productive operations using its resources (Umo, 2023). Profitability can likewise be referred to as 'earning power" or working performance of the business which add up to Investment (Hasan, 2021). According to Adebayo et al., (2022). profit is characterized as the capacity an investment has, to acquire a sizable income from its consistent use in business. This suggests that profit is a composite idea relating to the effectiveness of the organization to earn profit. Furthermore, they argued that profitability measures the capacity of the firm to persistently create income, while Etim et al., (2023) uncovered that the normal return, for the most part alluded to as profit, realize from the capital market, can likewise be considered as the opportunity cost.

Firms' profitability has been argued to influence the quality of financial reporting. Alsaeed (2016) argued that a profitable firm may feel proud of its achievements and therefore would wish to disclose more information to the public in order to promote positive impressions of its performance. Besides that, the profit level has also been argued to have an influence on the manipulation of accounting accruals because managers may manage earnings to increase their bonus rewards (Ghofir & Yusuf, 2020). Several studies have examined the relationship between firm profitability and financial reporting quality. For example, Musa et al., (2019) found that firms with higher profitability have higher financial reporting quality. They argued that profitable firms are more likely to have better internal controls, which can result in higher quality financial statements. In this study profitability was measured in terms of return on Asset. This ratio measures the amount of return earned on every Net Income invested on assets. It is the ratio of net income for the period to average total assets.

It is given as;

Where PAT = Profit after tax

2.1.5 Auditor type

Auditor type refers to the classification of audit firms based on their size, reputation, and level of expertise. The different types of auditors include the Big Four, mid-tier, and small audit firms. The Big-4 audit firms are large audit firms with international presence. While the non-Big-4 audit firms are small audit firms with only national or local presence. High audit quality which translates into high financial reporting quality is associated with large audit firms because of superior resources to perform audit, wide client network therefore non-dependent on a particular client than smaller audit firms (DeAngelo, 2018). They also have greater incentives to protect their established reputation by performing high quality audits so as not to be associated with audit failure. Auditor type is usually measured by way of assigning a dummy variable 1 where a firm is audited by the big audit firms, otherwise, 0. In Nigeria, the Big-4 auditors are Akintola Williams Delloitte, Pricewaterhouse Cooper, Ernest and Young, and KPMG (Jerry & Saidu, 2018).

Auditors act like watchdog for shareholders by restraining the opportunistic conduct of managements, thus they ensure that managements comply with the reporting requirement of the accounting standards. Auditors that are negligent in ensuring compliance to the provisions of International Financial Reporting Standards are likely to suffer some penalties and reputation loss. To avoid loss of reputation, these firms demand higher levels of disclosure (Musa et al.,2019).

However, the relationship between auditor type and financial reporting quality is unanimous. For example, Lennox (2015) found that while Big Four auditors were associated with higher levels of financial reporting quality, mid-tier auditors were also associated with high levels of quality, and that the difference in quality between the two types of auditors was relatively small. Additionally, studies have shown that the effect of auditor type on financial reporting quality may depend on other factors, such as the level of audit fees, the degree of auditor independence, and the nature of the client's business (Abubakar, et al., 2023).

2.1.6 Firm Assets Tangibility

The physical nature and qualities of a company's assets are referred to as its firm asset tangibility. Tangible assets are physical assets that can be touched, seen, or quantified. Tangible assets are physical assets that can be employed in the production or operation of a firm. Land, buildings, machinery, equipment, cars, inventory, and other physical things are examples of assets. These assets are usually listed on a company's balance sheet and have a monetary value. Tangible assets depreciate over time as a result of wear and tear or obsolescence (Khanh & Khuong 2018). Depreciation expenses are recorded on the income statement of the company, reducing net income. Specific norms and laws govern the accounting treatment of tangible assets, assuring proper reporting of their value and associated depreciation. Asset tangibility can influence a company's valuation. Tangible assets provide a tangible book value that serves as a floor for a firm's valuation (Damodaran, 2012). Investors and analysts consider the composition and quality of tangible assets in their assessment of a firm's financial health and long-term prospects. Firm asset tangibility can affect a company's investment decisions and expansion strategies. Tangible assets, such as machinery and equipment, are often essential for production capacity expansion and technology upgrades (Echobu, et al., 2019).

Asset tangibility is often contrasted with intangible assets, which include intellectual property, patents, trademarks, brand equity, and customer relationships. The combination of tangible and intangible assets contributes to a firm's overall value and competitive position. The optimal balance between tangible and intangible assets depends on the nature of the industry, market dynamics, and strategic objectives.

Asset tangibility is important in a company's financial structure and investment decisions. Tangible assets can be used as collateral to get loans or obtain lender financing (Putri &Indriani, 2020). Lenders frequently prefer tangible assets as collateral because they are easier to value and may be seized and sold in the event of a default.

2.1.7 Financial Reporting Quality

Financial reporting quality is defined as the faithfulness of the information conveyed by the financial reporting process (Adedapo & Olawale, 2019). Jonas and Blanchet (2000) define FRQ as financial reports that present full and transparent financial information and are not designed to obfuscate or mislead users. FRQ can also be seen as the precision with which the financial reports convey information to equity investors about the firm's expected cash flows (Biddle et al., 2009). Biddle et al. state that FRQ indicates the precision with which financial reports convey information about the firm's operations, in particular, its cash flows, to inform the equity investors.

The Biddle et al. definition is limited to only equity investors hence limited in scope. Other authors like Elbannan, (2020) define FRQ as the extent to which financial reports of a company communicate its underlying economic state and its performance during the period of measurement. A similar definition is provided by Tang et al. (2008) where they define FRQ as the extent to which the financial statements provide true and fair information about the

underlying performance and financial position. In most of the papers, FRQ is either defined by the quality of financial statements (financial reporting) or by the qualitative characteristics of financial information.

The agreement so far is that high- quality financial reporting provides information that is useful to the information users especially for assessing performance, managerial stewardship, and prospects. Such information ought to be relevant, faithfully presented, complete, understandable, timely, and comparable. The quality of financial reporting and reported earnings can be thought of as spanning from the highest (containing information that is relevant, correct, complete, and unbiased) to the lowest (containing information that is not just biased or incomplete but possibly pure fabrication). The highest level of FRQ starts whenever the company is following Generally Accepted Accounting Principles (GAAPs) that are in force (i.e., IFRS in the case of Nigeria). Such a company follows the correct accounting rules, within the IFRS the company chooses the accounting policies that represent the underlying of the transactions rather than the form of the transaction. That is, the company basically, emphasizes the substance over the form of the transaction. The lowest of the quality spectrum

2.1.8 Firm age and financial reporting quality

Firm age is another factor that impact on financial reporting quality of firms. Older firms tend to have more experience in accounting and financial reporting, which can lead to higher quality financial reporting. The years of existence has made them developed more sophisticated accounting and reporting systems over time, and may have established relationships with external auditors and regulators that can help to ensure the accuracy and completeness of their financial reports.

Additionally, older firms are generally more stable than younger firms, which can make it easier to forecast and report financial results accurately. They may also have more experienced management teams and better governance structures, which can lead to higher quality financial reporting (Baboukardos et al., 2021). Furthermore, older firms may be more conservative in their financial reporting, which can lead to more accurate financial reports. They generally have a longer history of financial reporting and accumulated experience in preparing financial statements. With years of experience, they develop a better understanding of accounting principles, reporting
requirements, and industry-specific practices. This experience and knowledge can contribute to improved financial reporting quality. Firms with a longer operating history may have a track record of consistent financial performance and credibility in the market. This can enhance the firm's reputation and increase stakeholders' confidence in the accuracy and reliability of its financial reporting. DeFond and Subramanyam (2020). also noted that older firms often retain employees who have been with the company for a long time, resulting in institutional memory and continuity. This can help maintain consistency in financial reporting practices and mitigate the risk of errors or inconsistencies that may arise from changes in personnel or reporting procedures.

2.1. 9 Determinants of financial reporting quality

This section discusses the main factors that influence the quality of financial reporting because researchers need to control for them whenever FRQ is their dependent variable in order to model the true effect of their predictors.

(a)Accounting standards

The foundation of accounting disclosure in any company is the accounting standards that are in place. This is why regulators and other actors in the financial reporting process are interested in how accounting standards are designed. Higher quality accounting standards, all things being equal, should positively affect FRQ (Zicke & Kiy, 2017). Several studies indicate that IFRS improves the quality of financial reporting (Bodie et al, 2021). However, other studies indicate that financial reporting quality is not determined only by accounting standards (Lee et al., 2013).

(b)**Enforcement level by the regulatory authorities** Another widely held factor that influences FRQ is the level of enforcement of accounting standards. A common assumption frequently made by policymakers and in empirical studies is that greater enforcement increased both FRQ and audit quality, and several studies provide supporting evidence (Christensen et al., 2013; Silvers, 2016).

(c)**Corporate governance**

Extant literature also identifies corporate governance as an essential factor that influences FRQ. Several studies revealed that a firm's governance mechanism is significantly positively related to FRQ (Gajevszky, 2016; Cao., et al. 2022, Klai & Omri 2011).

(d)The quality of audit

The auditing process which covers internal audit function, external audit, and quality of the audit committee enhances financial statement reliability and usefulness. Since auditing is an important assurance service in the financial reporting process, the quality of audit reflects the overall FRQ (Tang et al., 2016). Extant literature report that the presence of internal audit and a higher quality internal audit function is linked with higher FRQ (Ege, 2015).

(e)Audit committee

The audit committee is also an important factor that determines FRQ. The audit committee hires, evaluates performance, and compensates external auditors. The committee also supervises financial reporting by monitoring accounting policies and estimation choices. Prior research suggests that audit committee quality can improve financial reporting quality by reducing the incidence of fraudulent reporting, accounting irregularities, earnings management, and aggressive accounting choices (Umo, 2021).

(f)**Management expertise and motivations**

Managerial expertise and motivations are in addition to auditing quality identified by the previous studies as the major factor determining the extent of FRQ (Umo, 2023). Management of companies is responsible for the preparation and dissemination of accounting information. Thus, personal managerial factors also explain FRQ. Prior research suggests that several management characteristics are associated with reporting quality (Habib & Hossain, 2013; Umo, 2023).

2.2 Theoretical Review

2.2.1 Institutional theory by Meyer and Rowan (1977)

Institutional theory is an approach to understanding organizations and management practices as the product of social rather than economic pressures. It has become popular perspective within management theory because of its ability to explain organisational behaviours that defy economic rationality. Institutional theory proposes that organizations are influenced by the social norms, values, and beliefs of their environment, and that they conform to these institutional pressures in order to gain legitimacy and survive in their environment (Scott, 1995).

In the context of financial reporting quality, institutional theory can be used to explain how external pressures from regulatory bodies, industry associations, and other institutional actors may influence financial reporting practices. For example, ICT firms may adopt certain

reporting practices in order to conform to industry norms or to meet the expectations of regulatory bodies.

Jihadi et al., (2021) argued that often these "institutional myths" are merely accepted ceremoniously in order for the organization to gain or maintain legitimacy in the institutional environment. Organizations adopt the "vocabularies of structure" prevalent in their environment such as specific job titles, procedures, and organizational roles. The adoption and prominent display of these institutionally-acceptable "trappings of legitimacy" help preserve an aura of organizational action based on "good faith". Legitimacy in the institutional environment helps ensure organizational survival. Therefore, institutional theory can provide a useful framework for understanding how external pressures may influence financial reporting quality for ICT firms. By conforming to institutional norms and expectations, ICT firms may gain legitimacy and enhance their reputation in their environment, which can contribute to the production of high-quality financial reports.

2.3 Empirical framework

This section focused on previous empirical researches relating to the effect of corporate attributes on financial reporting quality and some of these studies are reviewed below.

Handoyo et al., (2023) examined the influence of firm characteristics, including size, age, industry type, and ownership, on a firm's strategic orientation, as well as the impact of market uncertainty and competition intensity on the firm's strategic orientation. The study aimed to test the implication of strategic orientation on a firm's performance. The study used 1024 data sets of
128 manufacturing firms listed on the Indonesia stock exchange from 2014 to 2021 and employed data panel regression and independent t-tests for statistical analysis.
The study adopted Miles and Snow's strategy typology framework to classify the firms' strategic orientation. The findings indicated that firm size, industry type, and competition intensity significantly influenced the firm's strategic orientation. Small firms tended to adopt a proactive strategic orientation (prospector and analyser), and firms in the fast-moving consumer goods (FMCG) industry also tended to adopt a proactive strategic orientation. The study found that strategic orientation positively and significantly influenced firm performance, with firms that adopted a proactive strategic orientation showing better performance than defensive ones (reactor and defender).

Etim et al., (2023) examined the relationship between the firm's characteristics and asset growth. Ex post facto sourcing of data was conducted from the annual financial reports of relevant companies on the Nigerian Stock Exchange from 2008 to 2019 fiscal years. The study measured profitability, leverage, and revenue growth by using financial ratios such as Return on Assets (ROA), Debt to Equity (D/E), and Revenue Growth Rate, respectively. Asset growth was measured by the difference between the prior year and current year of non-current assets. The study used descriptive and inferential statistics to analyze the data and adopted the regression analysis model for estimating the test results. The findings revealed an insignificant influence of the firm's characteristics (profitability, leverage, and revenue growth) on asset growth of quoted companies in Nigeria. The regression analysis model showed that the coefficient of determination (R-squared) was 0.094, indicating that the firm's characteristics explain only 9.4% of the variance in asset growth. The study recommended that companies should carefully monitor all elements that indicate asset growth and not solely focus on firm characteristics. It is also recommended that companies should compose their boards based on technical know-how, experience, and qualification rather than gender categorization.

Diriyai and Korolo, E. K. (2023) examined the relationship between firm characteristics structure and the quality of financial reporting of publicly traded industrial goods companies. An ex post facto research design was used and the study used secondary data from the annual accounts and business reports of the listed industrial goods companies for the relevant years considered (2015-2020). Ordinary least squares (OLS) regression techniques were used to examine the relationship between the variables. The study found that company size and liquidity are significantly positively associated with the quality of financial reporting by publicly traded industrial goods companies in Nigeria, while there is an insignificant positive association between firm age and the quality of financial reporting by publicly traded industrial goods companies in Nigeria and there is an insignificant negative association between Leverage and quality of financial reporting of listed industrial goods companies in Nigeria.

Adekunle, et al., (2023) studied the determinants of financial reporting quality and reports of listed deposit money banks in Nigeria. Tthe findings of the impact of structural characteristics like age, size and level of leverage on financial quality. Using prior studies as a guide, we developed model for loan loss provisions and granted the residuals, using these residuals known as abnormal loss provisions as the dependent variable for the multiple regression analysis, the study did not find any evidence of significant relationship between firm age, size, leverage, diversification and financial reporting quality.

Ibrahim et al., (2023) examined the effect of firm structural attributes on capital structure adjustments of Nigerian listed manufacturing companies. Out of the 56 listed firms 35 listed manufacturing firms were selected using the purposive sampling approach. Dynamic and static estimation techniques were applied. The results from both static and dynamic panel data revealed that assets tangibility had a positive and significant effect on capital structure adjustments with ($t= 4.463$; $t = 2.965$; $p <0.05$). Non-debt tax shields ($t= -2.831$; $t= -4.478$; $p <0.05$) had negative but significant effect on capital structure adjustments. Furthermore, static result showed that firm size ($t= -5.617$; $p <0.05$) had negative but significant while dynamic results revealed firm size ($t=6.956$; $P<0.05$) had a positive and significant effect on capital structure adjustments. This study concluded that structural attributes serve as firm level determinants to understanding of factors influencing the capital structure and speed of adjustments of listed companies in Nigeria. It was recommended that management of firms need to expand in size and investing in tangible assets to enhance their profit level, this will enable them to enjoy large profit levels with a large reduction in debt ratio.

SECTION THREE
METHODOLOGY

This section explains the techniques and approaches that will be employed in carrying out the study, specifically to assess the effect of corporate attributes on financial reporting quality of listed ICT firms in Nigeria. Therefore this section discusses the research design, the population of the study, sample size and sampling techniques, method of data collections, sources of data, model specification and technique of data analysis.

3.1 Research design

This study adopted the ex-post facto research design. This design was suitable for this study because historical data were used and the study was conducted after the events had taken place.

3.2 Population of the study

The population of the study shall consist of ICT firms listed on the floor of the Nigeria Exchange Group. As at 2022, there were 11 ICT firms listed on the floor of the Nigerian

Exchange Group (NGX). These 11 ICT firms made up the population of this study. These listed ICT firms are listed below;

Table 3.1: ICT firms listed on the floor of Nigerian exchange group

S/N	Name of Company	Date of Incorporation
1.	Airtel Africa Plc	July, 2019
2.	Briclinks Africa Plc	February, 2021
3.	Africa Prudential	August, 2012
4	.E-Transact International	August, 2009
5.	NCR Plc	May, 1979
6.	Omatech Plc	May, 2008
7.	Courteville Business Plc	April, 2009
8.	Chams Plc	September, 2009
9.	Computer Warehouse Group	November, 2013
10	.MTN Nigeria Communication Plc	May, 2019
11.	Triple Gee Plc	February, 1991

Source: *Nigeria Exchange Group Fact book (2022)*

3.3 Method of data collection

The data for the dependent variable of financial reporting quality was measured using IASB conceptual framework qualitative characteristics' model. A disclosure checklist devised according to this model contained five sections with information relating to the qualitative characteristics of financial reports as given by the IFRS conceptual framework. Each major component of qualitative characteristic model was given a weight of 1-5 and the weighted average scores for each component was obtained as was done by Adedapo& Olawale (2019 and Ciocan, Carp & Georgescu (2021).

3.4 Data analysis technique

The data analysis technique that adopted for this study was the pool ordinary least square regression. The rationale for its usage is based on the following justifications: the data that were collected have time and cross-sectional attributes as well as across the sampled firms (cross- section); panel data regression provides better results since it uses large observation and reduces the problem of degree of freedom (Muhammad, 2012); it avoids the problem of multicollinearity and help to capture the individual cross-sectional (or firm-specific) effects that the various pools may exhibit with respect to the dependent variable in the model.

Decision rule: The decision rule for accepting or rejecting the null hypotheses shall be based on the probability values (p-Values). The null hypotheses shall be accepted if the p-values are more than 0.05 and rejected if the p-values are less than 0.05.

3.5 Model specification

The model used in establishing the econometric relationship between corporate attributes and financial reporting quality was adopted from the study of Adedapo & Olawale (2019) and modified to suit this study as presented below;

Financial reporting quality = f (Corporate attributes)

Financial reporting quality = f (firm size, firm age, firm profitability, auditor type, asset tangibility) (1)

FIRQit = β + β**1**FMSZt + βFMAGit+it +β AUDTit + βASTAit +μ
Where:

FIRQ = Financial reporting quality
FMSZ = Firm size
FMAG = firm age
FMPR = firm profitability
AUDT = Auditor
ASTA = asset tangibility
β0 = Constant
β1- β3 = Slope Coefficient
μ = Stochastic disturbance
i = ith ICT
t = time period

SECTION FOUR
Data Presentation, Analysis and Discussion of Findings

This research examined the effect of corporate attributes on financial reporting quality of selected ICT firms in Nigeria. This section of the study presents the data used for this study, its analysis and discussion of findings.

4.1 Data presentation

The researcher used panel least square regression analysis to test the effect of ccorporate attributes on financial reporting quality of selected ICT firms in Nigeria. Before that, the researcher looked for discrepancies with the fundamental presumptions of the least square regression. Tests for linearity, normality, multicollinearity, autocorrelation, and homoscedasticity were among the diagnostic procedures performed. Additionally, the researcher ran some initial analyses that included correlation matrices and descriptive statistics. The analysis was conducted using the dataset.

4.1.1 Descriptive statistics

In this section, the study provided some basic information for both the explanatory and dependent variables of interest. Each variable was described based on the mean, standard deviation, maximum and minimum. Table 4 displays the descriptive statistics for the study

	FIRQ	FMSZ (N'000)	FMAG	FMPR	AUDT	ASTA
Mean	0.625833	7538507	30.50000	-0.064416	0.416667	0.288891
Median	0.700000	6318529	27.50000	0.008895	0.000000	0.193065
Maximum	0.950000	17687104	73.00000	0.120795	1.000000	0.821791
Minimum	0.200000	3595796	8.000000	-0.525591	0.000000	0.005165
Std. Dev.	0.212629	3493544	18.88188	0.156404	0.497167	0.257224
Skewness	-0.495859	0.963309	1.138130	-1.069412	0.338062	0.913663
Kurtosis	2.037538	3.130876	3.198429	3.205300	1.114286	-0.342796
Jarque-Bera	4.774591	9.322469	13.05183	11.54180	10.03265	27.46465
Probability	0.091878	0.009455	0.001465	0.003117	0.006629	0.000001
Sum	37.55000	4.52E+08	1830.000	-3.855969	25.00000	17.33316
Sum Sq.	2.667458	7.84E+14	21035.00	1.559435	14.58333	5.911147

Dev.						
	60	60	60	60	60	60

Source: Author's computation (2024)

From Table 4 above, for the period under study, the minimum financial reporting quality (FIRQ) score was 0.20, maximum was 0.95 and the average score was 0.63. However, the standard deviation of 0.21 shows that financial reporting quality in the ICT sector is relatively low. Reporting further, firm size (FMSZ) metric presents a minimum total asset of N3,595,796,000. Highest total assets recorded for the study period in the ICT sector was N17,687,104,000, the sector's average was N7,538,507,000. This implies that, the average total assets of these firms was N7,538,507,000. In conclusion, the statistics shows that the ICT sector is not well capitalized (in terms of assets) with a standard deviation of N3,494,543,000.

For firm age (FMAG), the average firm age (2013-2022) there was approximately 31 years old. Minimum and maximum of 8 and 73 years respectively were recorded. The standard deviation of 19 years tells us that the ICT sector is characterized by mostly young firms.

Looking at firm profitability (FMPR), the minimum return on assets for the study period was -53%, the highest return was 12% and on average, -6% was returned. The ICT sector has however been found to yield relatively high return on assets (standard deviation = 16%).
Moreso, half of the ICT firms use the services of the BIG 4 audit firms in Nigeria (SD = 0.50). we have minimum and maximum of 0 and 1 respectively due to the usage of dummy variables. Finally, asset tangibility (ASTA) ratio shows a minimum percentage of tangible assets in the asset structure was 0.5%, highest percentage of fixed tangible assets recorded was 82% and average was 29%. The standard deviation of 26% shows that the ICT sector is characterized by a good/moderate level of assets tangibility.

4.1.2 Test of Regression Assumptions

In social sciences, tests with idiosyncratic assumptions are commonly used as statistical procedures of the linear model. Statistical procedures and assumptions are used to evaluate the quality of a model. According to Greene (2003), and Darlington and Hayes (2017), linear models' quality can be tested based on linearity or additivity, normality, homoscedasticity, autocorrelation and multicollinearity.

4.1.2.1 Linearity

The linearity assumption requires a straight-line relationship between two variables (Nimon, 2012). Nonlinear or nonadditive data fitted to a linear model result in incorrect estimations or predictions. Violations of linearity or additivity are considered extremely serious as the model might not be fit for regression.

4.1.2.2 Test for autocorrelation

The least square regression model assumes that there is no autocorrelation or serial correlation of the residuals in the model. To test this, the Durbin Watson statistics would be used (Durbin & Watson, 1950). For this assumption to hold, the Durbin Watson statistics must be somewhere between1.5 and 2.5. Refer to the regression analysis table for this. The statistics show that there is no autocorrelation in the residuals (1.637722).

4.1.2. 3 No multicollinearity

The regression model also assumes the absence of multicollinearity between the independent variables. It is a situation where one or more independent variable can be expressed as a combination of other independent variables. This can be detected by observing the Variance Inflation Factor (VIF). The VIF should be less than 10 for this assumption to hold. The diagnostic is shown below.

Table 5: Variance inflation factor analysis for the independent variables

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	1.653364	2205.934	NA
FMSZ	0.035404	2197.801	2.027890
FMAG	0.012763	34.91929	1.109558
FMPR	0.033424	1.335658	1.159039
AUDT	0.004695	2.609979	1.522488
ASTA	0.019484	5.230766	2.561034

Source: Author's computation (2024)

From the VIF statistics, all the independent variables have VIFs of less 10. Therefore, there is no multicollinearity in the model.

4.1.2.4 Homoscedasticity

This holds that error terms of the regression model should have a constant variance across all levels of the independent variables (Smith, 2005). Homoscedasticity in E-views can be assessed through the Breusch-Pagan Godfrey test for heteroskedasticity. The null hypothesis for this test is there is no heterogeneity in the model and the alternate is that there is heterogeneity in the model, at 5% confidence level. The test is presented below.

Table 6: Heteroskedasticity Test: Breusch-Pagan-Godfrey

F-statistic	8.521714	Prob. F(5,54)	0.0000
Obs*R-squared	26.46260	Prob. Chi-Square(5)	0.0001
Scaled explained SS	10.19200	Prob. Chi-Square(5)	0.0700

From the result above, the Obs R-squared value (26.46260) has a p value of 0.0001 (<0.05). Therefore, we reject the null hypothesis which implies that there is presence of heterogeneity in the model. The result shows that the assumption of homoscedasticity of the pooled OLS regression has been violated. Hence, the researcher re- specifies the model to control for this violation by employing either the fixed and random effects panel regression as recommended by (Greene, 2003).

4.2 Data Analyses

4.2.1 Correlation analysis

Correlation analysis tests for the association (correlation) between the independent variables and the dependent variables of interest

Table 7: Correlation analysis for the relationship between corporate attributes and financial reporting quality

	FIRQ	FMSZ	FMAG	FMPR	AUDT	ASTA
FIRQ	1.000000					
FMSZ	-0.206461	1.000000				
FMAG	-0.077199	0.213239	1.000000			
FMPR	0.036074	0.094152	-0.198639	1.000000		
AUDT	0.136951	0.421142	0.077083	0.178836	1.000000	
ASTA	-0.197223	-0.687319	-0.061381	-0.284867	-0.583530	1.000000

Source: Author's computation (2024)

From the correlation matrix, firm size (FMSZ) and financial reporting quality (FIRQ) have a negative and weak association (-0.206461), firm age (FMAG) has no correlation with financial reporting quality (-0.077199), firm profitability (FMPR) also shows no correlation with financial reporting quality (0.036074), auditor type (AUDT) shows a positive and weak (0.13) correlation with financial reporting quality and finally, asset tangibility (ASTA) shows a negative and weak correlation with financial reporting quality. All variables have a perfect correlation with themselves which is normal.

4.2.2 Regression analysis

4.2.2.1 Panel Fixed and Random Effect

Regression Earlier on, the variable of this study showed presence of heteroskedasticity. As noted by Ajibolade and Sankay (2013), the fixed-effects model which is often the main technique for analysis of panel data does not account for heterogeneity in both the intercept and the slope. It accounts for individual heterogeneity only in the intercept. On the other hand, the random-effects model accounts for individual heterogeneity in both the intercept and the slope. In the light of the foregoing, this study employs the panel fixed and random effect regression to control the heterogeneity effect that is present in the pool OLS regression models but for this not to be voluminous, the Hausman test will be used to determine which technique is suitable for this study.

4.2.2.2Hausman Test

To determine whether to use fixed effect regression or random effect regression for this study. The null hypothesis is that random effect model is suitable for the study and the alternate is that fixed effect model is suitable. The test is presented thus;

Table 8: Correlated Random Effects - Hausman Test

Test cross-section random effects			
Test Summary	**Chi-Sq. Statistic**	**Chi-Sq. d.f.**	**Prob.**
Cross-section random	9.555432	5	0.1603

Source: Author's computation (2024)

The Hausman test shows a p value of 0.1602. So, the null hypothesis is accepted that Random Effects model is suitable for the data.

4.2.2.3 Random Effects Model (REM) regression

Table 9: Regression analysis for the effect of corporate attributes on financial reporting quality

Variable	**Coefficient**	**Std. Error**	**t-Statistic**	**Prob.**
C	2.734828	0.867802	3.151444	0.0027
FMSZ	-0.289309	0.126988	-2.278243	0.0267
FMAG	-0.047414	0.076246	-0.621864	0.5366
FMPR	-0.088249	0.123386	-0.715224	0.4776
AUDT	0.199682	0.042243	2.431802	0.0046
ASTA	-0.260727	0.094204	-2.767673	0.0077
Effects Specification				
			S.D.	Rho
Cross-section random			0.000000	0.0000
Idiosyncratic random			0.143120	1.0000
Weighted Statistics				
R-squared	0.389619	Mean dependent var		0.625833
Adjusted R-squared	0.332074	S.D. dependent var		0.212629
S.E. of regression	0.212062	Sum squared resid		2.428404
F-statistic	12.06316	Durbin-Watson stat		1.637722
Prob(F-statistic)	0.000000			
Unweighted Statistics				
R-squared	0.389619	Mean dependent var		0.625833
Sum squared resid	2.428404	Durbin-Watson stat		1.637722

The random effect regression model above shows an F- statistic of 12.06316 with p-value of 0.00000 indicating that overall, the relationship between corporate attributes and financial reporting quality is a significant one. The model gave an R-squared value of 0.389619 which means that 39% of the changes in the dependent variable can be explained by the independent variables of this study. However, the unexplained part is captured in the error term.

4.3 Test of hypotheses

The regression results in Table 9 is used to test the following hypotheses:

Hypothesis one

Ho1: Firm size has no significant effect on the financial reporting quality of listed ICT firms. The results obtained from the random effects regression model in Table 9 revealed that firm size (Coef = -0.289; p- value 0.023] has a significant but negative effect on the financial

reporting quality of ICT firms in Nigeria. Thus the null hypothesis was rejected and the alternate accepted implying that firm size has significant effect on financial reporting quality of listed ICT firms during the period under study. The null hypothesis was further rejected because the t-calculated (-2.278243) is greater than the critical value of t (2.004045) in absolute values. Therefore, firm size has a significant effect on the financial reporting quality of listed ICT firms in Nigeria.

Hypothesis two

Ho2: Firm age has no significant effect on the financial reporting quality of listed ICT firms.

The results obtained from the random effects regression model in Table 9 revealed that firm age (Coef = -0.047; p- value 0.537] has an insignificant negative effect on the financial reporting quality of listed ICT firms in Nigeria. Thus, the null hypothesis was accepted and the alternate was rejected. T-cal value (-0.621864) was also found to be less than the critical t (2.004045) which supports that the null should be accepted. It means that firm age has no significant effect on financial reporting quality of ICT firms in Nigeria.

Hypothesis three

Ho3: Firm profitability has no significant effect on the financial reporting quality of listed ICT firms.

The results obtained from the random effects regression model in Table 9 revealed that firm profitability (Coef = - 0.088; p- value 0.478] has a negative an insignificant effect on the financial reporting quality of the listed ICT firms in Nigeria. Therefore, the null hypothesis was accepted while the alternate was rejected. The null hypothesis was further accepted because the t-calculated (-0.715224) is lower than the critical value of t (2.004045). This implies that firm profitability does not have any significant effect on the financial reporting quality of ICT firms in Nigeria.

Hypothesis four

Ho4: Auditor type has no significant effect on the financial reporting quality of listed ICT firms.

The results obtained from the random effects regression model in Table 9 revealed that auditor type [Coef = 0.200; p- value 0.0046]. This entails a significant positive relationship with financial reporting quality. On this note, the null hypothesis was rejected and the alternate was accepted. T-cal value (2.431802) was also found to be greater than the critical t (2.004045) which supports rejection of null hypothesis. This implies that auditor type has a significant effect on financial reporting quality of ICT firms in Nigeria.

Hypothesis five

Ho5: Firm asset tangibility has no significant effect on the financial reporting quality of listed ICT firms.

The results obtained from the random effects regression model in Table 9 revealed that firm asset tangibility [Coef. =

-0.260; p-value = 0.008] has a significant negative effect on the financial reporting quality of ICT firms in Nigeria. Thus the null hypothesis was rejected while the alternate was accepted. The null hypothesis was further rejected because the t-calculated (-2.767673) is greater than the critical value of t (2.004045) in absolute terms. Therefore, firm asset tangibility has a significant effect but negative effect on the financial reporting quality of listed ICT firms in Nigeria.

4.4 Discussion of findings

Firm size and financial reporting quality

The results obtained from the random effects regression model in Table 9 revealed that firm size (Coef = -0.289; p- value 0.023] has a significant but negative effect on the financial reporting quality of ICT firms in Nigeria. This means that a unit increase in firm size can significantly reduce the quality of financial reports (FIRQ) of the companies under study by 29% or; the higher the size of the firm, the lower the quality of her financial reporting, or; smaller firms have better financial reports' quality. This could be because larger firms often have more complex operations, diverse business segments, and a greater volume of transactions compared to smaller companies.

Firm age and financial reporting quality

The results obtained from the random effects regression model in Table 9 revealed that firm age (Coef = -0.047; p- value 0.537] has an insignificant negative effect on the financial reporting quality of listed ICT firms in Nigeria. This means that there is no significant relationship between firm age and financial reporting quality. Over time, accounting and reporting standards evolve to adapt to changes in business practices, economic environments, and regulatory requirements. As a result, newer firms may benefit from updated reporting frameworks that address previous shortcomings, while older firms may have legacy reporting practices that are not reflective of current best practices. Advances in technology have significantly impacted financial reporting processes. Younger firms may be more adept at leveraging modern accounting software, data analytics tools, and digital reporting platforms, potentially leading to more efficient and accurate financial reporting compared to older firms that may be grappling with legacy systems and processes.

Firm profitability and financial reporting quality

The results obtained from the random effects regression model in Table 9 revealed that firm profitability (Coef = - 0.088; p- value 0.478] has a negative and insignificant effect on the financial reporting quality of the listed ICT firms in Nigeria. This finding suggests that firm profitability does not have a significant effect on the financial reporting quality of companies under study. This could be because firms have some discretion in making accounting choices within the bounds of accounting standards. Profitable firms can have their financial statement manipulated through aggressive accounting practices such as revenue recognition timing, expense manipulation, or asset valuation strategies.

Auditor type and financial reporting quality

The results obtained from the random effects regression model in Table 9 revealed that auditor type [Coef = 0.200; p- value 0.0046] has significant positive effect on financial reporting quality of listed ICT firms in Nigeria. This implies that firms that employ the services of the BIG 4 audit firms would have their financial reporting quality improved by 20%. That is firms that use the services of the BIG 4 audit firms, have better financial reporting quality. This could be because Big 4 firms have a vast pool of highly skilled professionals with deep technical knowledge and experience in auditing financial statements. According to DeAngelo (2018), high audit quality which translates into high financial reporting quality is associated with large audit firms because of superior resources to perform audit, wide client network therefore non-dependent on a particular client than smaller audit firms.

Asset tangibility and financial reporting quality

The results obtained from the random effects regression model in Table 9 revealed that firm asset tangibility [Coef. =-0.260; p-value = 0.008] has a significant but negative effect on the financial reporting quality of ICT firms in Nigeria. The reason for this could be because tangible assets are subject to depreciation, which can be a complex accounting process. The estimation of useful lives, residual values, and methods of depreciation for tangible assets may involve judgment calls and assumptions. If these estimations are not accurately made or if there's inadequate documentation of the rationale behind them, it can lead to errors in financial reporting and reduced quality of financial information. Valuing tangible assets, especially when they involve specialized properties or unique equipment, can be challenging. The use of outside appraisers or internal valuation models may introduce subjectivity and complexity into the estimation process. If there are inadequacies in the valuation methodologies or if there's a lack of market-based evidence to support valuations, it can compromise the accuracy of the reported asset values.

5.Summary, Conclusion and Recommendations

5.1Summary of findings

study investigated the effect of corporate attributes on financial reporting quality of ICT firms listed on the floor of the Nigerian Exchange Group from 2013 to 2022. The independent variable of the study being corporate attributes was proxied by firm size, age, profitability, auditor type and asset tangibility while the dependent variable being financial reporting quality was proxied by the IASB qualitative characteristics index. The results of empirical findings with respect to each objective of the study are as follows:

1.The results obtained from the random effects regression model revealed that firm size (Coef = -0.289; p- value 0.023] has a significant but negative effect on the financial reporting quality of listed ICT firms in Nigeria. This means that a unit increase in firm size can significantly reduce the quality of financial reports (FIRQ) of ICT firms listed on the floor of the Nigeria Exchange Group by 29%.

2.The results obtained from the random effects regression model revealed that firm age (Coef = -0.047; p- value 0.537] has an insignificant negative effect on the financial reporting quality of listed ICT firms in Nigeria. This means that there is no significant relationship between firm age and financial reporting quality.

3.The results obtained from the random effects regression model in Table 9 revealed that firm profitability (Coef =-0.088; p- value 0.478] has a negative and insignificant effect on the financial reporting quality of the listed ICT firms in Nigeria. This finding suggests that firm profitability does not have a significant effect on the financial reporting quality of companies under study.

4.The results obtained from the random effects regression model in Table 9 revealed that auditor type [Coef = 0.200; p- value 0.0046] has significant positive effect on financial reporting quality of listed ICT firms in Nigeria. This implies that firms that employ the services of the BIG 4 audit firms would have their financial reporting quality improved by 20%.

5.The results obtained from the random effects regression model in Table 9 revealed that firm asset tangibility [Coef. = -0.260; p-value = 0.008] has a significant but negative effect on the financial reporting quality of ICT firms in Nigeria. This implies that asset a unit increase in assets tangibility would reduce financial reporting quality of the studied ICT firms by 26%.

5.2 Conclusion

Based on the findings of this study, it was concluded that firm attributes have significant effect on financial reporting quality of listed ICT firms in Nigeria. Specifically, it was concluded that firm size has a significant but negative effect on the financial reporting quality of listed ICT firms in Nigeria; firm age has an insignificant negative effect on the financial reporting quality of listed ICT firms in Nigeria; firm profitability has a negative and insignificant effect on the financial reporting quality of the listed ICT firms in Nigeria; and asset tangibility has a significant but negative effect on the financial reporting quality of ICT firms in Nigeria.

5.3 Recommendations

Based on the result of empirical findings the following recommendations were made for the study;

1.Management of information technology firms should implement robust internal controls, enhance transparency in financial disclosures, and ensure rigorous oversight since the insignificant effect could be as a result of complex operations, making it harder to maintain high-quality financial reporting.

2.While firm age may not directly impact financial reporting quality, it's essential that management of ICT firms should maintain vigilance regardless of age, and focus on updating reporting practices, adopt modern accounting standards, and conduct regular audits to ensure quality financial reporting. They should also invest in robust accounting and reporting infrastructure early so as to set the foundation for sustainable reporting quality as the firm matures.

3.Although profitability has been found to have a negative and insignificant effect on financial reporting quality, ICT firms should emphasize ethical behavior, integrity in financial reporting, and transparency in disclosing financial performance, regardless of current profitability levels. This focus can help build trust among stakeholders and enhance the overall quality of reporting.

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