Corporate Governance and Value Relevance of Selected Manufacturing Companies in Nigeria

Chibuike Camillus Ugo
University of Port Harcourt, Rivers State, Nigeria

DOI: 10.56201/ijssmr.v8.no4.2022.pg139.149

Abstract
This study investigated the relationship between corporate governance and value relevance of selected manufacturing companies in Nigeria. The ex-post facto research design was utilized while 65 selected manufacturing firms between 2008 to 2017 were used as the population. The entire 65 companies were used as the sample size for the study. The Ordinary Least Square method of regression analysis was employed to test the hypotheses through E-view 10 version software. The results revealed a positive and significant relationship between board of directors' independence and value relevance of selected manufacturing companies in Nigeria. A positive and significant relationship between internal audit quality and value relevance of selected manufacturing companies in Nigeria. Finally, the study revealed a positive and significant relationship between auditor independence and value relevance of selected manufacturing companies in Nigeria. The study recommended that the Chief Executive Officers and Managing Directors (CEO/MD) of companies should make policies in their respective organizations that can enshrine the existence and appointment of independent board of directors. Also, the International Internal Audit Association (IIAA) to which Nigeria is member should enact requisite laws and standards that can improve audit practice and thereby enhance company's value relevance. Finally, corporate bodies that require the services of audit firms should desist from compromising with their clients to prepare financial reports in their favour as the duties of an auditor plays significant role in corporate existence.

Keywords: *Corporate Governance, Value Relevance, Board of Directors' Independence, internal audit quality, auditor independence and Accrual Quality.*

1. Introduction

The purpose of financial statements is to reflect the underlying reality of the firm, so as to effectively aid users in making decisions (Schipper & Vincent, 2003). Where the financial statements numbers are of low quality, they are not decision useful and thus do not fulfill their most important purpose (Dechow & Dichev, 2002). The ability to objectively determine the earnings quality of firms is extremely an important matter as it is a vital part of financial accounting research. High quality earnings are more useful to users of financial statements as it assists in resource allocation decisions (Dechow & Dichev, 2002). Consequently, it is the interest of firms, investors, standard setters' and regulators to continuously resolve to improve earnings quality of business entities. In the view of Entwistle and Phillips (2003), earnings quality corresponds with the core purpose of financial reporting as it provides relevance and reliability to users of financial statement. Dechow and Dichev (2002) posits that the quality of earnings is the most important measures to assess firm's future cash flows. A problem of earnings quality is that since it is affected by accounting estimates, more able managers may likely introduce intentional errors, either to signal their private information about the firm or to extract perquisites from the firm and the shareholders (Demerjian et al., 2013). More worrisome is the explanation that accruals contain "distortions" or valuation errors that inflate today's earnings at the expense of future profits (Shenn, 1996; Xie, 2007). Value relevance studies are grounded on the view that investors are the main users of financial statement and they are, and it measures the confidence of investors on the accounting information (Mirza et al., 2018). Therefore, value relevance definition is also in line with the definition given by the conceptual framework for financial reporting, the decision useful information should be relevant and reliable otherwise it would be irrelevant for the investors in making decision (Mirza et al., 2018).

Value relevance studies investigate the level of trust that investors have in financial statements (Siekkinen, 2016). Thereby, value relevance can be considered as the information quality of accounting numbers (Cahan et al., 2009; Agostino et al., 2011). Accordingly, Barth and Schipper (2008) argued that the value relevance of accounting quality leads to higher information quality, which subsequently leads to lower information risk and less agency costs related to information asymmetry. Therefore, as value relevance can be used as a proxy for accounting quality, it can be value that the higher the value relevance, the lower the agency costs related to information asymmetry (Siekkinen, 2016).

Related to earnings quality of firms is the concept of corporate governance. Lin and Hwang (2010) note the need for corporate governance as a mechanism to align the interests of management with those of shareholders. Corporate governance features may be seen as a characteristic of the contract that governs relations between shareholders and managers (Bhagat & Bolton, 2008). A corporate governance system comprises of a wide range of practices and institutions, from accounting standards and laws concerning financial disclosure, to executive compensation, to size and composition of corporate boards (Javid & Igbal, 2010). Therefore, a corporate governance regime in a country has deep implications for firms, employment systems, trading relationships and capital markets (Javid & Igbal, 2010).

Existing practices of corporate governance are faulty in themselves too (Gupta, 2010). The common loopholes include: Problems in whistle blowing: Whistleblowers may often be wrong in their motives. Conflict of interest and lack of "independent" board members. There are significant implications for issues such as oversight of directors, executive remuneration and related party transactions. And a study of the implementation of the; **"comply or explain", "apply or explain"** approach in Nigeria found the following problems: (1) Non or partial compliance with no explanations (2) misleading disclosures (3) uninformative disclosures. These problems have necessitated the motivation for this research on corporate governance and earnings quality of selected manufacturing companies in Nigeria during the period 2008 to 2017.

The following research hypotheses were stated in a null form;

Ho_1: There is no significant relationship between board of directors' independence and value relevance of selected manufacturing companies in Nigeria.

Ho_2: There is no significant relationship between internal audit quality and value relevance of selected manufacturing companies in Nigeria.

Ho_3: There is no significant relationship between auditor independence and value relevance of selected manufacturing companies in Nigeria.

2. Literature Review

Corporate Governance

In the view of Maradi and Dasar (2014), corporate governance is typically perceived by academic literature as dealing with problems that result from the separation of ownership and control, accountability, transparency, audit and fair disclosure of reports to the shareholders and also emphasize on problems and prospects of corporate entities. From this perspective, corporate governance would focus on internal structure and rules of the board of directors, the creation of independent audit committees, rules for disclosure of information to shareholders and creditors and management control. Corporate governance is also viewed as a broad term that defines the process, customs, policies, laws and institutions that direct the organizations and corporations in the way they anti-administer and control their operations (Khan, 2011).

Value Relevance

Value relevance is the ability of financial statements to summarize information that affects firm value (Hung, 2001). Value relevance studies are grounded on the view that investors are the main users of financial statement and they are, and it measures the confidence of investors on the accounting information (Mirza et al., 2018). Value relevance studies belong to the broader field called capital– market- based Accounting (CMBAR), that started with the pioneering studies dating back to the 60s of Ball and Brown (1968); Beaver, (1968). According to Uwuigbe et al. (2016) value relevance is measured by its ability to summarize accounting information. Thus, from an investor's perspective, only information that contributes to the investment decisions of an investor is important (Omokhudu & Ibadin, 2015). value relevance as a motion is based on the pillars of relevance and reliability; it involves the ability of authority members to summarize the information underlying the stock prices, it also describes the relationship between financial information and state prices (Liu & Liu, 2007). Accounting information is described or seen as value relevant when it influences the users' decision to form an opinion (Uwalomwa et al., 2015). It ensures that firms remain indelible in the minds of the investors and shareholders (Uwuigbe et al., 2019). Value relevance needs to be accessed in order to determine the usefulness of the financial information to investors (Papadak & Siougle, 2007). Thus, the market valuation of a firm's stock is one of the most important criteria in describing a firm's value, just as the value of a firm is based on how the market perceives its performance. Financial information has been viewed as more and more relevant to stakeholders, as long as it can establish its better correlation with the information transmitted to the financial market as share price (Fillip & Raffournuer, 2010; Pervan & Bartulovic, 2014).

Theoretical framework

The theoretical framework of this study is anchored on the stakeholder's theory.

The Stakeholder's Theory

The stakeholder theory of corporate governance focuses on the effect of corporate activity on all identifiable stakeholders of the corporation. This theory posits that corporate managers (officers and directors) should take into consideration the interest of each stakeholder in its governance process. This theory states that the firm is a system of stakeholders operating within a large system of the society which provides the required legal and market infrastructure for the firm to thrive. The purpose of the firm in this case is to serve the general public who may have direct or indirect relationship with the firm. The management and the provision of information should be directed at satisfying the interest of the general public rather than shareholders (Ndibel & Mercy, 2016). According to Harrison et al. (2015), stakeholder theory promotes a practical, efficient, effective and ethical way to manage organizations in a highly complex and turbulent environment. It is a practical theory because all firms have to manage stakeholders. It is efficient because stakeholders that are treated well tend to reciprocate with positive attitudes and behaviour towards the organization, such as sharing valuable information, providing tax breaks or other incentives, providing better financial terms, buying more stocks or working hard and remaining loyal to the organization, even during difficult times (Harrison et al., 2015).

Empirical Review

Nkanbia-Davis et al. (2016), this work study investigates the relationship between corporate governance and earnings quality of listed banks in Rivers State for 2010 to 2014. With board size, accrual quality, audit committee independence and value relevance, the result of regression showed a positive relationship between corporate governance and accrual quality. Also, Ziace (2014) analyzed the effect of audit quality on the performance of listed companies in Tehran Stock Exchange during the period 2008 to 2012. With questionnaires administered on respondents, the study found a positive relationship between audit quality and financial performance.

Aifuwa and Embele (2019) investigated the impact of board characteristics on financial reporting quality of listed manufacturing firms in Nigeria during the period 2013 to 2017. Using generalized linear model regression on data collected from the annual reports of 37 firms, the results showed that board expertise was statistically significant and positively related to financial reporting quality, while board independence and board diversity was found to be insignificantly related to financial reporting quality.

Lee and Lee (2013) investigated the association between audit quality and value relevance of representative accounting measures such as earnings and book value of equity. With modified equations by ordinary least square regression, the study found that both earnings and book value audited by big 4 audit firms are more significant and relevant than those audited by non-big 4 audit firms.

Holtz and Neto (2014) studied the effects of board of directors' characteristics on the quality of accounting information in Brazil during the period 2008 to 2011 with regression analysis, the result showed that board independent characteristic, separation of the chairman and executive director positively influence the quality reported accounting information. Also, Adeyemi et al. (2012) investigated the factors affecting audit quality in Nigeria. Questionnaire was administrated to 430 respondents and data extracted from published annual financial reports were used for data analysis. The result revealed that multiple directorships are the most significant in affecting audit quality in Nigeria.

In same vein, Nwanyanwu (2017) studied the influence of audit quality practices on financial reporting in Nigeria. Descriptive survey research design was used with structured questionnaire. Pearson product moment coefficient correlation and stepwise multiple regression were used in data analysis. The results showed that audit quality has significant and positive relationship with financial reporting. Also, Okolie and Izedonmi (2014) investigated the impact of audit quality on the share prices of listed companies in Nigeria during the period 2006 to 2011. With data extracted from the annual reports of 57 companies listed in the Nigerian stock exchange (NSE), the multiple regression results revealed that audit quality exerts significant influence on market price of shares.

3. Methodology

This study used the ex post factor research design with a population of sixty-five (65) manufacturing firms. The sixty-five (65) manufacturing firms were sampled based on their ability to remain in the listing of Nigerian Stock Exchange for the past three years. And the capacity to have an annual financial statement at least in the last three years. Therefore, all the listed companies were seen to have fulfilled the above conditions and were selected for the investigation. Hence the research did not conduct sample size determination because it was not necessary. Data was retrieved from the published annual financial statement of the 65 selected manufacturing firms in Nigeria between 2008 to 2017 to form 650 firm year observations.

Descriptive data analysis and Interferential data analysis i.e Ordinary Least Square (OLS) method with the aid of E-Views 10 version statistical software. While Weiner Granger causality test was also employed to test the strength of relationship between the variables of study.

Operational Definition of variables

Board of directors' independence (BDI): measured as the percentage of independence non-executive directors on the board to the board size or to the total number of directors in a given selected manufacturing firm.

Internal audit quality (IAQ): measured as the natural logarithm of internal audit members in the selected manufacturing firms for various years. The number of internal audit members was obtained from the published annual financial statements of the selected manufacturing firms in Nigeria.

Auditor independence ((AUI): measured as the natural logarithm of the size of the external audit firm that prepares and audits the external published financial statements of the selected firms for various years.

Value relevance: This variable was operationalized by the natural logarithm of value relevance pursuant to Ohlson (1995) model. Accordingly, the formula is expressed as follows:

$P = \alpha_o + \alpha_1 BVPS + \alpha_2 EPS$

Where:

P	=	Price of shares
BVSP	=	Book value per share
	=	Shareholders' equity divided by no of common shares
EPS	=	Earnings per share
	=	Net income divided by shareholder equity outstanding

4. Results/findings

Test of Hypothesis

Table 1: OLS method of regression analysis on the relationship between AUI, BDI, IAQ and IFRS.

Dependent Variable: VAR
Method: Least Squares
Date: 07/10/19 Time: 11:38
Sample: 1 650
Included observations: 648

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	11.02234	2.840666	-3.880195	0.0001
AUI	-4.589509	1.029615	-4.457501	0.0000
BDI	-0.146269	0.228221	-0.640911	0.5218
IAQ	2.908208	0.532584	5.460561	0.0000
IFRS	2.266137	0.821781	2.757594	0.0060

R-squared	0.662114	Mean dependent var	2.345247
Adjusted R-squared	0.056279	S.D. dependent var	11.84503
S.E. of regression	11.50689	Akaike info criterion	7.731455
Sum squared resid	85138.67	Schwarz criterion	7.765976
Log likelihood	-2499.991	Hannan-Quinn criter.	7.744847

F-statistic	10.64609	Durbin-Watson stat	1.961095
Prob(F-statistic)	0.000000		

Table 1 was used to interpret the hypotheses 1, 2 and 3

$H0_1$: There is no significant relationship between board of directors' independence and value relevance of selected manufacturing firms in Nigeria. The regression result in table 1 established the relationship between board of directors' independence and value relevance of selected manufacturing firms in Nigeria. The t-statistic of -0.640911 greater than t-critical value of -1.96 suggest that the estimated coefficient is statistically significant at 0.05 level of significance for a 2-tailed test. A Durbin-Watson of 1.96 close to 2 indicates the absence of serial autocorrelation using the rule of thumb. Given the t-statistic value and applying the decision rule under the critical value approach of +1.96 and -1.96 showed that t-0.640911>-1.96. The null hypothesis which states that there is no significant relationship between board of directors' independence and value relevance of selected manufacturing firms in Nigeria is rejected. The alternative hypothesis is then accepted.

Ho_2: There is no significant relationship between internal audit quality and value relevance of selected manufacturing companies in Nigeria. The t-statistic value of 5.460561 greater than t-critical value of +1.96 showed that the estimated coefficient is significant at 0.05 level of significance for a 2-tailed test. Using the rule of thumb, Durbin-Watson value of 1.96 close to the value of 2 shows the absence of serial autocorrelation. Given the t-statistic value and applying the decision rule under the critical value approach of +1.96 and -1.96 showed that t5.460561 > +1..96. From the result, the null hypothesis which states that there is no significant relationship between internal audit quality and value relevance of selected manufacturing firms in Nigeria is therefore rejected. Hence the alternative hypothesis is accepted.

Ho_3: There is no significant relationship between auditor independence and value relevance of selected manufacturing companies in Nigeria. The t-statistic value of -4.457501 greater than t–critical value of +1.96 suggest that the estimated coefficient is significant at 0.05 level of significance for a 2-tailed test. With the rule of thumb, Durbin-Watson value of 1.96 close to 2 shows the absence of serial autocorrelation. Using the t-statistic value and applying the decision rule under the critical value approach showed that t-4.457501>t+1.96. From the above result, the null hypothesis which states that there is no significant relationship between auditor independence and value relevance is therefore rejected. Hence, the alternative hypothesis accepted.

5. Discussion of findings

The result revealed a positive and significant relationship between board of directors' independence and value relevance of selected manufacturing companies in Nigeria. This result means that the relationship between board of directors' independence and accrual quality of selected manufacturing companies in Nigeria showed positive. Statistically, this result showed that an independent board of directors could cause a positive change in value relevance. Ching et al. (2002) posited that non-executive or external directors are able to increase boards independence and able to monitor top management effectively. This finding supports past empirical results by Nkambia-Davis et. al. (2016); Aifuwa & Embele (2019); Mashayekhi &

Bazar (2010); Holtz & Neto (2014).

Also, the study revealed a positive and significant relationship between internal audit quality and value relevance of selected manufacturing companies in Nigeria. This result means that a positive relationship exists between internal audit quality and value relevance. In statistical terms, it also means that internal audit quality can cause a positive change in value relevance. Sarens and Abdolmohamadu (2011) posited that internal audit quality is primarily to provide a view of how well a company's resources are being utilized. However, the test result explains that internal audit quality has the strength to cause the positive change in value relevance. It is possible to attribute this result to the number of competent internal audit staff and employees of the organization. This assertion is open for further studies. Arena and Azzone (2009) posited that the effectiveness of internal audit increases particular when there is growth in the number of competent internal audit staff of the organization. This result corroborates the findings by Ziace (2014); Adeyemi et al. (2012); Nwanyanwu (2017); Okolie and Izedonmi (2014) that found a significant relationship between internal audit quality and financial performance of firms.
Furthermore, the study revealed a positive and significant relationship between auditor independence and value relevance of selected manufacturing companies in Nigeria. The result implies that a positive relationship exists between auditor independence and value relevance of selected manufacturing companies in Nigeria. Statistically, this result denotes that auditor independence could cause a positive change in value relevance. This result corroborates with past empirical finding by Faruok & Hassan (2014) that found a significant relationship with auditor independence.

6. Conclusions

Given the findings and discussions to findings, this research study concluded as follows:

i. That there exist a positive and significant relationship between board of directors' independence and value relevance. The study further confirmed that board of directors' independence is potentially reasonable to cause a positive change on firms' value relevance. This is because independent boards are more likely to inspire managers towards high transparency and quality disclosure levels.
ii. That there exists a positive and significant relationship between internal audit quality and value relevance. The research further confirmed that internal audit quality can cause a remarkable positive change in value relevance of selected manufacturing companies in Nigeria due to the number of competent internal audit staff.
iii. That there exist a positive and significant relationship between auditor independence and value relevance. The research further confirmed that auditor independence can create a high influence on value relevance of selected manufacturing companies in Nigeria.

7. Recommendations

The following recommendations were made in respect to the above findings;

i. The Chairman and Chief Executive Directors (CEO/MD) of companies should make policies in their respective organizations that can enshrine the existence and appointment of independent board of directors.

ii. The International Internal Audit Association (IIAA) to which Nigeria is member should enact requisite laws and standards that can improve audit practice and thereby enhance company's value relevance.

iii. Corporate bodies that require the services of audit firms should desist from compromising with their clients to prepare financial reports in their favour as the duties of an auditor plays significant role in corporate existence.

8. References

Adeyemi, A. A., & Asaolu, T. (2013). An empirical investigation of the financial reporting practices and bank's stability in Nigeria. *Kuwait of Arabian Journal of Business and Management Review, 2*(5), 157-180.

Agostino, M., Drago, D., & Silipo, D. (2011). *The value relevance of IFRS in the European banking industry*. https://www.researchgate.net/publication/228619863 .

Aifuwa, H. O., & Embele, K. **(**2019). Board characteristics and financial reporting quality. *Journal of Accounting and Financial Management*, *5*(1), 30-49.

Arena, M., & Azzone, G. (2009). Identifying organizational drivers of internal audit effectiveness. *International Journal of Auditing, 13*, 43–60.

Ball, R., & Brown, P. (1968). An empirical evaluation of accounting income numbers. *Journal of Research, 6*(2), 159-178.

Barth, M. E., & Schipper, K. (2008). Financial reporting transparency. *Journal of Accounting, Auditing and Finance, 23*(2), 173-190.

Beaver, W. H. (1968). The value relevance of annual earnings announcements. *Journal of Accounting Research, 6*(4), 18-30.

Bhangat, S., & Bolton, B. (2008). Corporate governance and firm performance. *Journal of Corporate Finance, 14*(2), 257-273.

Bhangat, S., & Bolton, B. (2008). Corporate governance and firm performance. *Journal of Corporate Finance, 14*(2), 257-273.

Cahan, F. S., Emmanuel, D., & Sun, J. (2009). The effect of earnings quality and country level institutions on the value relevance of earnings. *Review of Quantitative Accounting, 33*(4), 371-391.

Ching, K. K. L., Firth, M., & Rui, O. M. (2002). *Earnings management, corporate governance and the market performance of seasoned – equity offerings.* https://servn.com/abstract=337880.

Dechow, P. M., & Dichev, I. D. (2002). The quality of accruals and earnings: The role of accrual estimation errors. *The Accounting Review,* 77(1), 35-59.

Demerjian, P. R., Lev, B., Lewis, M. F., & McVay, S. E. (2013). Managerial ability and earnings quality. *The Accounting Review*, *88*(2), 463-498.

Farouk, M. A., & Hassan, S. U. (2014). Impact of audit quality and financial performance of listed cement firms in Nigeria. *International Journal of Accounting and Taxation, 2*(2), 1-22.

Fillip, A., & Raffournier, B. (2010). The value relevance of earnings in a transition economy: The case of Romania. *The International Journal Accounting, 45*(1), 77-103.

Gupta, A. (2010). *Corporate governance challenges in business enterprises.* https://www.sibm.edu/assets/pdf/corporategovernance.pdf

Harrison, J. S., Freeman, R. E. & Sade A. (2015). Stakeholder theory as an ethical approach to effective management: Applying the theory to multiple contexts. *Review of Business Management, 17*(55), 858-869.

Holtz, L., & Neto, S.A. (2013). Effects of board of directors' Characteristics on the Quality of Accounting Information in Brazil. *Revista Contabilidade & Finanças, 25*(66), 255-266.

Hung, M. G. (2001). Accounting standards and value relevance of financial statements: An international analysis. *The Accounting Review, 81*(4), 135-157.

Javid, A., & Igbal, R. (2010). Corporate governance in Pakistan: Corporate valuation, ownership and financing, Pakistan Institute of Development Economics. *https://www.pide.org.pk.*

Khan, H. (2011). A literature review of corporate governance. *International Conference of E-business, Management and Economics*, 25(2), 1-5.

Lee, A., & Lee, H. (2013). Do big 4 audit firms improve the value relevance of earnings and equity? *Managerial Auditing Journal, 28*(7), 628-646.

Lin, J. W., & Hwang, M. I. (2010). Audit quality corporate governance and earnings management: a meta-analysis. *International Journal of Auditing, 14*(1), 57-77.

Liu, J., & Liu, C. (2007). Value relevance of accounting information in different stock market segments: The case of Chinese AB, and H shares. *Journal of International Accounting Research, 6*(2), 55-81.

Maradi, M., & Dasar, P. (2014). An analysis of corporate governance issues in the Indian context: Challenges and prospects. *International Journal of Management Research, 2*(3), 8-17.

Mashayekhi, B., & Bazaz, M. S. (2010). The effect of corporate governance on earnings quality: evidence from Iran. *Asian Journal of Business and Accounting, 3*(2), 71-100.

Mirza, A., Malek, M., & Abdul-Hamid, A. M. (2018). Value relevance of earnings and book value of equity: evidence from Malaysia. *Globed Business Management Review, 10*(2), 19-40.

Ndibel, A., & Mercy, A. M. (2016). Corporate governance and financial performance of listed companies in Nigeria. *Journal of Accounting and Marketing, 5*(1), 1-6.

Nkanbia- Davis, L. O., Gberegbe, F. B., Ofurum, C. O., & Egbe, S. (2016). Corporate governance and earnings quality of listed banks in Rivers state. *International Journal of Business and Management Invention, 5*(7), 29-33.

Nwanyanwu, L. A. (2017). Audit quality practices and financial reporting in Nigeria. *International Journal of Academic Research in Accounting, Finance and Management Sciences, 7*(2), 145-155.

Okolie, A. O. & Izedonmi, F. I. O. (2014). The impact of audit quality on the share prices of quoted companies in Nigeria. *Research Journal of Finance and Accounting, 5*(8), 45-63.

Omokhudu, O. O., & Ibadin, P. O. (2015). The value relevance of accounting information: Evidence from Nigeria. *Accounting and Finance Research, 4*(3), 20-39.

Papadaki, A., & Siougle, G. (2007). Value relevance of price, earnings and book values in the Athens stock exchange. *Managerial Finance, 33*(5), 309-320.

Pervan, I., & Bartulovic, M. (2014). Value relevance of accounting information: Evidence from South Eastern European Countries. *Economic Research-Ekonomska Istrazivanja, 27*(1), 181-190.

Sarens, G., & Abdmohammadi, M. J. (2011). Monitoring effects of the internal audit function: agency theory versus other explanatory variables. *International Journal of Auditing, 15*(2), 1-20.

Schipper, K., & Vincent, L. (2003). Earnings quality. *Accounting Horizons, 17*(2), 97-111.

Shenn, R. (1996). Do stock price fully reflect information in accruals and cash flows about future earnings? *The Accounting Review*, *71*(2), 289-315.

Siekkinen, J. (2016). *Within and cross-country differences in the value relevance of fair values.* Hanken school of economics. https://helda.helsinki.fi/bitstream/handle/10138/162990/300_978-952-309-5.pdf?sequence+1&isallowed=y .

Uwalomwa, U., Uwuigbe, O., & Okorie, B. (2015). Assessment of the effects of firms' characteristics on earnings management of listed firms in Nigeria. *Asian Economic and Financial Review*, *5*(2), 218-228.

Uwuigbe, R. O., Uwuigbe, U., Jafanu, J., Igbinebe, E. E., & Oladipo, A. O. (2016). Value relevance of financial statements and share price: a study of listed banks in Nigeria. *banks and Bank Systems Journal*, *11*(4), 135-143.

Xie, B., Davidon, W. N., & Dadalt, P. J. (2003). Earnings management and corporate governance: The roles of the board and the audit committee. *Journal of Corporate Finance, 9*(2), 295-316.

Ziace, M. (2014). The effect of audit quality on the performance of listed companies in Tehran Stock Exchange. *International Letters of Social and Humanistic Science, 21*(4), 37-43.