

Firms' Characteristics and Asset Growth of Quoted Companies in Nigeria: An Analytical Approach

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DOI: 10.56201/jafm.v9.no1.2023.pg16.22

Abstract

Firm's characteristics have not been a new spectacle in the business world. They have, of course, always been with us and no decent business entity entirely overlooks them. What is new is the preference of their ranking in different corporate agenda. Fascinatingly, this paper is an analytical examination of the influence of the firm's characteristics on Asset Growth of Quoted companies in Nigeria: An Analytical Review. The central aim was to investigate how the profitability, leverage and revenue growth influence asset growth of the quoted companies on the Nigerian Stock Exchange. Whilst the firm's characteristics were measured by profitability, leverage and revenue growth and asset growth was measured by the difference between prior year and current year of non-current asset. This study focused on Ex post facto sourcing of data from the annual financial reports of the relevant companies from 2008 to 2019 fiscal years. Besides, the generated data were analyzed using the descriptive and inferential statistics while the regression analysis model was adopted for estimating the test result. However, findings revealed an insignificant influence of firm characteristics (profitability, leverage and revenue growth) on asset growth quoted companies in Nigeria. The result, therefore, showed that firm's characteristics insignificantly contribute to the asset growth of companies. It was recommended among others that companies should carefully monitor all elements that indicate assets growth and not merely focus on firm characteristics alone, since it does not completely isolate firms from the threats of asset growth issues. Nonetheless, Companies should compose their boards based on technical know-how, experience, and qualification rather than on gender categorization.

Keywords: *Firms' characteristics, Profitability, leverage, revenue growth and Asset Growth*

1. Introduction

Businesses around the sphere have the assumption of continuing to the foreseeable future. As such endeavor to defer prepaid expenditure to future accounting period. Consequently IAS 1 required management to assess whether their companies is able to run for the foreseeable period or not. If the result of assessment found doubt about the stability of the entity, then significant aspect of financial report must be disclosed in order to enable users or readers understand the situation in the companies (Effiong and Ekpoese, 2021).

Conversely, asset growth of a business is not a complex concept but is a degree to which asset increases or decreases in value over time. By this, the asset growth shows how quickly a company has been growing its assets. Therefore, assets are the economic resources of a company expected to benefit the company's future operations. Certain kinds of assets including cash and receivables are in monetary terms while others like property, plant and equipment are physical in nature. In essence, assets work in aggregation with other components of liabilities and equity in overall business operations. Nonetheless, asset is generally defined as anything of value that is owned by an entity that is capable of generating income. Growth in a company's assets is necessary for its survival in a competitive and changing market environment and also used to increase its income returns. The purchase of heavy assets requires a large investment in capital which can compel companies to source for additional finance externally. Thus, external source of financing such as debt is key in accelerating the growth of company assets as it allows the company to leverage on its existing fund towards achieving it growth targets. It is also allowing for rapid expansion, immediate cash flows, reduction of risk and economic of scale (Kem-Ndubuisi, Juliet and Onyema, 2018).

In the literature, the empirical analyses provide contradictory evidence of the influence of firm characteristics on assets growth of quoted company in Nigeria and abroad. For instance, the difference between tangible and intangible information has been examined by Daniel and Titman (2006) who argued that investors react inappropriately to intangible information but not to tangible information.

Olatunji and Adegbite (2014) examined the effect of investment in non-current asset on profitability of selected Deposit Money Banks in Nigeria with emphasis on multiple regression and profit for the year as dependent variable. In the same vein, the property, plant and equipment was adopted as dependent variable. In addition, Chen, Yao and Zhang (2008) considers the effect of corporate asset growth on stock markets in pacific basin region including Japan, one of the most rapid growing economies vis-a-vis Hong Kong among others. Although with significant negative relationship between firms' assets growth and subsequent stock returns, potential inefficiencies of the region financial systems in allocating capital and valuing investment opportunities was considered.

Also, Farkoosh and Naseri (2012) examined the effect of net assets value in purchasing the shares of investment companies in Iran. The dependent variable was the investor's decision as net asset value was the independent variable. It was discovered that financial variables have the greatest influence on the investment decisions and political factor have a second position.

Be that as it may, certain factors may likely hinder the flow of company's' assets growth; these include but not limited to decrease in revenue, large amount of debt, loss of key management, cash flow problems, lower returns, firm's capitalization and abnormal returns in finance among others.

Owing to the stated factor, asset growth operates not in a isolation but in a company. Subsequently, firm characteristics take the center stage with issues of asset growth in placed. Firm characteristics are mostly under the control of management with variables such as liquidity,

profitability, leverage and revenue growth among others. It is likely belief that Firms 'characteristics and asset growth can operate together. On the other hand, macro-economic indicators also taking cognizance including interest rate, inflationary rate and gross domestic product among others (Sumaira and Arnjad,2013).

Therefore, the study combined firm characteristics variables against asset growth of companies proxied by the difference between prior year value of non-current asset with its current year value. Therefore, the company involvement is firm characteristics on asset growth perspective. Thus, the focus of the study is to investigate the influence of firm characteristics on asset growth perception of a firm using Nigeria as a reference point. However, the focal objective of this study is to examine the influence of firm characteristics (FC) on asset growth (AG) of quoted companies in Nigeria. Conversely, the determinants of firm characteristics are profitability(P), Leverage (LV), and revenue growth (RG). In related approach asset growth (AG) is measured by the ratio of the difference between the prior year period against the its current year of non-current asset. Meanwhile, the choice of the quoted companies stems from their influential and significant contribution to the economy at large and consistency in reporting corporate firm characteristics and assets growth variables in the country. Although, the influence of firm characteristics on assets growth is still subject to empirical examination in the study, the researchers assume the following hypotheses;

H_{0j}: There is no significant influence of profitability on the growth of non-current asset of quoted companies in Nigeria.

H_{0ii}: There is no significant influence of leverage on the growth of non-current asset of quoted companies in Nigeria.

H_{0iii} : There is no significant influence of revenue growth on the growth of non-current asset of quoted companies in Nigeria.

Quoted companies were the scope of the study. while asset growth was defined as the growth in non-current asset and firm characteristics implies those factors under the control of management. It includes, profitability rate, leverage rate and revenue growth rate among others between 2008 to 2019 fiscal year.

2. Theoretical Framework and Empirical Literature

Business have a goal of continue to the imaginable future. Consequently, asset growth encompasses increase or decrease in non-current asset, current asset and fictions asset growth. Nonetheless, asset growth is concerned with the degree to which a firm is able to utilize its resources effectively to increase its asset base. Moreover, asset growth is a concept that assume that the reporting entity will continue to expand it scope of the asset base to the future and realized it asset while normal financial obligations are discharged, thus, it is a way of measuring from performance. However, variable in accounting can be used in measuring asset growth of a company in the context of firm characteristics.

In addition to this, the accounting variable used in this study is the non-current asset ratio (NCAR). This variable is essentially a measure that seeks to establish the level to which companies maximize its asset base in order to maximize its profit. The (NCAR) is the preferred variable for this study as companies are interested in increasing their asset base. Again, every companies' owners are aimed at maximizing their wealth by improving it asset growth. Therefore, the goal of a manager therefore varied and may include enrich of personal wealth and status. Thus, varying interest sometimes lead managers to engage in insider dealings where there is no mechanism for effective maintenance, valuation and approval of managerial decisions (Wang, 2010).

More so, the Demographic and managerial variables comprising of the firm internal environment has been described as firm characteristics (Zou and Stan, 2002). Also, Kogan and

Tian (2012) asserted that firm size, liquidity, leverage, growth, firm age among other constituted the variables. It is obvious that each of these variables so mentioned have their meanings and approaches to measuring them. Be that as it may, firms' characteristics reporting has been based on Internal Accounting Standard one (IAS 1) as stipulated by International financial reporting Standards.

In practice, firm management determines what information should be disclosed and is sometimes merely standardized text that lacks a sufficient background (CESR, 2007). A likely reason for the lack of information might be that firms do not want to disclose firm specific information in fear of competitions that might use the information in fear of competition against them (Penno, 1985). However, Jansen (2002), illustrative described it trying to mark the uncertainty that is inherent in every business is like pushing on a balloon, smoothing out today's bumps means they will pop up somewhere else tomorrow. Often with catastrophic result, indeed, the consequences of unexpected accounting scandals have a major impact on the society. Information about uncertainties and estimations regarding the firm's operation is therefore an important matter for the whole society because everyone is affected whether the firm will keep on operating or go out of business (Penno, 1985).

However, Salelin (2009), opined that, the determinant factors in measurement are numerous. They include the internal and external factor in shaping the firm earnings. The internal factor relates to a firm specific characteristic while the external factor presents both firms and macro-economic conditions which include interest rate, inflationary rate and gross domestic product among others. Therefore, the determinants may be adopted in any sector of the Nigeria economy.

- I Profitability
- ii. Leverage
- i. revenue growth
- iv. Inflationary rate

i Profitability

Without profitability companies will not survive in the long run. Profitability is the return on capital employed' or 'investment' or 'equity'. Therefore, profitability is the degree to which an organization can effectively utilize its available funds and assets and convert them into profit (Obehioye, Adeyemi and Augustine, 2013). It is one of the ways by which a company's performance is measured (Sanusi, 2009). However, accounting variables can be used in measuring the profitability of companies in the context of Social Accounting Practices (Duke and Kankpang, 2013).

Thus, the accounting variable used in this study is profit for the year (PFY). This variable is essentially a financial efficiency measure that seeks to establish the extent to which companies generate sufficient profit to cover owners cost of investment. The PFY is the preferred variable for this study because shareholders are always interested in the profit on their investment. As a fundamental indicator of a company's ability to increase its earnings per share, PFY reveals how well a company is using equity capital to generate additional earnings. However, according to Ilaboya and Omoye (2013), PFY is the profit arrived after deducting all expenses.

ii. Leverage

Leverage is the use of borrowed fund to finance a business (Awan, 2014). Companies select how much debt finance they need to employ by evaluating the cost of the debt of indigenous company profitability. However, firm have favourable leverage when the rate of return on investment is higher than the cost of debt. It may be less expensive to issue debt rather than additional inventory because the interest payment made to loan holders is tax deductible while dividend is not. Therefore, the use of debt may increase the easing of inventory holders

through favourable financial leverage. Leverage ratios may be calculated to measure the financial rate and firm ability to using debt to shareholders advantage. The lower the ratio, the lower the financial risk of a company. This leverage ratio of greater than 60% is said to be relatively high while the leverage below 60% is considered safe for most businesses, as it indicates that the company owe only 60% for every N1.00 in total assets (Sanusi, 2009). In this study leverage is measured by his ratio of total debt to total assets.

iii Revenue Growth

Revenue growth is a metric that measures the ability of your sales team to increase revenue over a mixed period of time. Revenue growth as a strategic indication that is used in decision making by executives and the board of directors and influences the formulation and execution of business strategy. Revenue growth is the parameter which is used to measure the performance of the sales team to increase the revenue over a predetermined period of time. Revenue growth is an essential parameter for survival and financial growth of the company.

A good Revenue growth always is used for the benefits of the employees and the company in terms of providing salary raise or increase, acquiring new assets, an expansion of the company or the product line. A negative growth is an undesirable outcome limiting a wrong strategy or decisions. The main goal of leaders in large companies is to maximize the revenue and that the increase in revenue will always continue even at the expenses of lower profits, in both the short or long term (Baumol, 1951). Baumol has provided an addition to the ever-increasing body of oligopoly theory of substituting sales maximization, with a minimum profit constraint, for profit maximization as the goal of the large business firm.

In this study, revenue growth is measured by the difference between current year revenue and prior year revenue divided by the prior year revenue.

iv Inflation

Inflation is a sustained rise in the general level of prices and it is measured in rate (Awan, 2014). The inflation rate is the rate at which the price level increases. High inflation increases uncertainty. Blanchard (2009) stated that increase in uncertainty is the reason most macroeconomists believe that the best is between 0% and 3% and that a decline in inflation will reduce expected inflation and lower the nominal interest rate and raise the quantity of real balance demanded. However, due to increase in inflation, the real rate of return decrease and as a result the return on equity and investment reduces (Khan, Shahid, Bari, Anam, Shehzad and Siddique, 2014).

There is no universal theory on firm characteristics and non-current asset growth of companies but there are several useful conventional theories that attempt to approach the determination of the asset growth of a company. These theories include agency theory and resource-based theory. The study is making use of the resource-based theory. The resource-based theory was propounded by Warn felt in the year 1984. This theory addressed performance difference between firms using asymmetries of knowledge. At the corporate strategy level, theoretical interest in economies of scope and transaction costs focus on the role of corporate resources in determining the industrial and geographical boundaries of the firm activities. At the business strategy level, explorations of the relationships between resources, competition and profitability include the analysis of competitive imitation, and the role of imperfect information in creating profitability differences between competing firms. A firm's ability to earn a rate of profit in excess of its cost capital depends upon the attractiveness of the industry in which it is located and its establishment of competitive advantage over rivals. Industrial organization economics emphasizes industry attractiveness as the primary basis for superior profitability, the implication being that strategic management is concerned primarily with seeking favorable industry environments locating attractive segments and strategic groups within industries and

moderating competitive pressures by influencing industry structure and competitor's behavior. Thus, a resource base theory of the firm entails a knowledge-based perspective. Therefore, the resource-based theory posited that performance is a function of resources which may be tangible in nature. Hence, an asset growth of a firm is operated well when resources are well utilized.

In relation to the study on firm characteristics and going concern status of a firm, Effiong, Asukwo and Enya (2020) examined the discretionary activities accruals and going concern of manufacturing companies. The desire of every business is to operate beyond the foreseeable future period and maximize, contribute and shareholders wealth in the face of economic uncertainties. These challenges are surmounted through the recognition and recording of all economic transactions in the books of account to boost stakeholder's confidence. The study was set to examine the extent to which accruals discretionary created by management will affect the going concern status of manufacturing firms. The *ex post facto* research design was adopted and data were gathered using the retrieval method. Panel regression model was employed combining the properties of time series and cross-sectional data. The study from the empirical findings establishes that discretionary accruals exerted positive and negative significant effect on both liquidity positions and profitability levels of the studied companies and the effects on the going concern status of manufacturing companies.

Yuvaraj and Abate (2013) examined the effects of firm specific factors on profitability using nine listed insurance firms for nine years. The result shows that growth, leverage, volume of capital, size and liquidity were identified as most important determinant of profitability. Also, the age of the company and assets did not significantly, related with profitability.

Effiong, Inyang, Akum, Asuquo and Onyeogoziri (2020) wrote on the implications of pecking order approach on the profitability of quoted agricultural firms in Nigeria. The study examined the extent to which pecking order (financial structure) affects the profitability of quoted agricultural firms in Nigeria. To determine the association between pecking order and profitability, data were obtained from the audited financial statement of the agricultural companies listed on the Nigeria Stock Exchange. Panel data method was applied using regression analysis to examine the level of relationship that exists between pecking order and profitability of listed agricultural firms in Nigeria from 2011 and 2016. The result obtained shows that sources of finance when looked at historically have a major influence on profitability of agricultural companies in Nigeria. However, when looked at individual, finance sources do not have any significant effect on the profitability of agriculture firms in Nigeria. This is so because other factors such as interest expense influence the pecking order model. It was recommended among others that since, capital structure of a firm impacted its profitability greatly; therefore, capital structure decisions must be evaluated thoroughly.

Ahmed (2011) investigated the impact of firm level characteristics on performance of the insurance sector of Pakistan over the period of seven years. The ordinary least square regression analysis was adopted which reveals that leverage, size and risk are most important determinants of performance of life insurance sector. It was found that there was no significant relationship existing between tangibility of assets and profitability of insurance companies.

Effiong, Inyang, Nabi, Dada, Adejone (2020) wrote on the effect of corporate governance practices on going concern status of listed non-financial institutions in Nigeria. The study considers the directional effect of corporate governance indicators on the continuous and foreseeable existence of institutions providing non-financial services in Nigeria but quoted in the Nigerian Stock Exchange. *Ex post facto* method was adopted and data were obtained from the studied companies. Corporate governance variable used in the study were board size, composition, meeting, tenure aimed at measuring the relationship with the going concern index. Findings show among others that, those corporate governance variables have no significant

aggregate effect on going concern status of the studied companies. The decomposed result however indicates a relationship between two of the corporate governance indicators with going concern index of the studied companies, how be it not significant. The study recommended that companies should carefully monitor all elements that indicate going concern issues and not merely focus on corporate governance because, it does not completely isolate firms from going concern threats. Companies should equally compose their board on expertise, experience and qualification rather than gender.

The summary of empirical studies show gap in the literature. However previous researchers determined the relationship between firm characteristics and performance of insurance companies using performance indicators of kinds. It is noted that, the empirical studies reviewed shows a mix result of the relationship between firm characteristics and performance of companies which make research in this area inconclusive. Previous studies mostly used insurance companies and none of the studies used firm characteristics and asset growth of company on multiple sector of Nigeria economy with the aforementioned variables. It is as a result of this desire and complementing the previous literature that the study seeks to examine the influence of firm characteristics on asset growth of quoted companies in Nigeria: An analytical analysis.

III. Methodology

This study used an *ex post facto* research design because existing data were used for the study. The population of the study consists of listed companies in the Nigerian Stock Exchange from 2008 to 2019. Out of 167 listed companies on the Nigerian Stock Exchange as at December, 2019, eleven companies stated in the appendix were the sample size for this study. The selected companies are based on the pilot report and it has been observed that the firms selected consistently published their financial statements from 2008 to 2019. Purposive sampling and taro Yamane techniques were used to select the sample for this study. The purpose of this technique stemmed from the fact that its permits selection of companies that constantly reports the needed variables from the stated period. Data for the study were collected from secondary sources specifically from annual report of eleven companies from year 2008 - 2019. Data from financial reports were obtained by computation base on the measurement of the variables in Table 3.1 while data from CBN Bulletin and Nigerian Stock Exchange fact book were obtained by document review. Descriptive statistics and multiple regression analysis were the analytical technique used in the study. However, the ethical issues were handled as Data of the dependent, independent and control variables were used in their natural form without manipulation. The result of the data was from what the data indicated and all sources of information are acknowledged in the reference among others.

Asset Growth represented by non-current rate (PMR) is the dependent variable of the study, whereas the main independent variables representing firm characteristics are profitability (P) leverage (LV), revenue growth (RG) and inflationary (I) is the control variable respectively. However, the value of dependent and independent variables is determined by their rate as the case may be.

The theoretical model specified for this study is firm characteristics (FC) model. The model describes the relationship between FC and asset growth and is represented as follows;

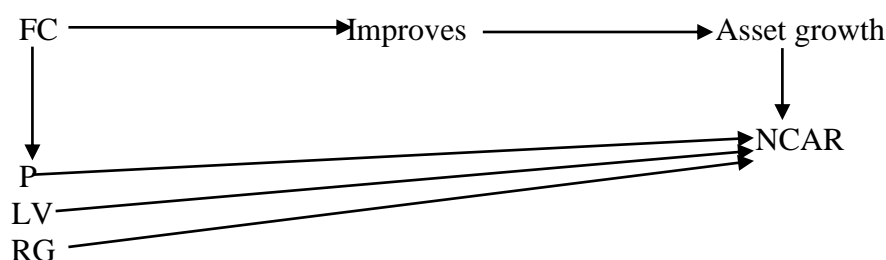


Figure 3.1: Firm Characteristics Model
Source: Researchers’ Design (2022)

Firm characteristics represented in this study are profitability (P) leverage (LV) and revenue growth (RG) are theoretically expected to positively influence asset growth. Moreover, asset growth is denoted by the ratio of the difference in the prior year and current year of non-current asset.

Multiple regression analysis is adopted for estimating the test result in the study. The model is stated as $NCA = b_0 + b_1 (P)_{it} + b_2 (LV)_{it} + b_3 (RG)_{it} + b_4 (Infl)_{it} + e_{it}$. Where: NCA = Non-Current Asset denoted by current year non-current asset minus prior year non-current asset divided by prior year non-current asset, P is denoted by profit for the year divided by total asset, LV is signified by total liability divided by total assets, RG is indicated by the difference between current year revenue and prior year revenue divided by prior year revenue, InflR = Inflationary rate b_0 = intercept, b_1 = constant, i = number of companies = number of years and e = error term.

iv. Data Analysis and Interpretation

The hypotheses were tested as isolated cases through multiple regression analysis using Statistical Package for Social Science (SPSS) version 20 at 5% level of significance. However, results were stated as follows;

Table 4.1: Descriptive Statistics of firm Characteristics and Asset growth of quoted companies in Nigeria

	N	Min.	Max.	Sum	Mean		Std. Deviation	Variance	Skewness		Kurtosis	
					Stat.	Std. Error			Stat.	Std. Error	Stat.	Std. Error
NCAG	132	6.32	11.63	1016.93	7.7040	.08628	.99123	.983	1.672	.211	3.268	.419
Profitability	132	-5.77	2.16	-137.32	1.0403	.06332	.72752	.529	1.474	.211	15.872	.419
Leverage	132	-1.23	2.47	-28.97	-.2194	.03059	.35150	.124	3.070	.211	26.170	.419
Revenue Growth	132	-4.33	3.06	-77.95	-.5905	.10048	1.15441	1.333	1.471	.211	4.412	.419
Inflation	132	.91	1.22	140.18	1.0620	.00792	.09096	.008	.008	.211	-.699	.419
Valid N (listwise)	132											

Source: Data Processing via SPSS (2022)

Table 4.1 presents the summary of descriptive statistics for firm characteristics and asset growth of quoted companies in Nigeria. Result shows that the minimum of 6.32% in non-current

Asset growth while the minimum for Profitability, Leverage, Revenue growth were -5.77%, -1.23%, -4.33% with an inflation of 0.91% respectively. The maximum of 11.63% for non-current asset growth whereas for profitability, leverage, revenue growth and inflation of 2.16%, 2.47%, 3.06% and 1.22% respectively. The average of non-current asset growth stood at 7.7040% while that of profitability, leverage, revenue growth and inflation stood at -1.04%, -2.22%, -5.59% and 1.06% respectively. Generally, revenue growth appears to have more influence on non-current asset than other variables in the quoted companies in Nigeria. The result is shown in Tables 4.2, 4.3 and 4.4 respectively.

Test of Hypotheses

The guiding decision rule for the test states that the null hypothesis should be rejected if the t-calculated is greater than the critical value of t and p-value is less than 0.05 level of significance. The result of the regression analysis is shown thus;

Table 4.2 : Model Summary of firm characteristics and Asset Growth of quoted Companies in Nigeria.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
	.098 ^a	.010	-.022	1.00190	1.436

Source: Data Processing via SPSS (2021)

a. Dependent Variable: NCAG

b. Predictors: (Constant), Profitability, Leverage, Revenue Growth, Inflation

Table 4.3: ANOVA Result Summary of Firm Characteristics and Non-current Asset Growth of Quoted Companies in Nigeria

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.229	4	.307	.306	.873 ^b
	Residual	127.483	127	1.004		
	Total	128.712	131			

Source: Data Processing via SPSS (2022)

a. Dependent Variable: NCAG

b. Predictors: (Constant), Profitability, Leverage, Revenue Growth, Inflation

Table 4.4 : Coefficients of Firm Characteristics and Asset growth Rate of Quoted Companies in Nigeria

Model		Unstandardized Coefficients		Standardized Coefficients	t-value	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.890	1.050		7.511	.000
	Profitability	-.035	.129	-.026	-.271	.787
	Leverage	-.076	.265	-.027	-.286	.775
	Revenue Growth	.074	.077	.086	.956	.341
	Inflation	-.183	.968	-.017	-.189	.850

Source: Data Processing via SPSS (2022)

a. Dependent Variable: NCAG

b. Predictors: (Constant), Profitability, Leverage, Revenue Growth, Inflation

H_{oi} : There is no significant influence of profitability on the growth of non-current asset of quoted companies in Nigeria. The regression coefficient shown in table 4.4 indicate that the p-value of 0.787 is greater than 0.05, hence the null hypothesis one is accepted. This implies that there is no significant influence of profitability on the growth on non-current asset of quoted companies in Nigeria.

H_{oii}: There is no significant influence of leverage on the growth of non-current asset of quoted companies in Nigeria. The regression coefficient shown in table 4.4 indicate that the p-value of 0.775 is greater than 0.05, hence the null hypothesis two is accepted. This implies that there is no significant influence of leverage on the growth of non-current asset of quoted companies in Nigeria.

H_{oiii} : There is no significant influence of revenue growth on the growth of non-current asset of quoted companies in Nigeria. The regression coefficient shown in table 4.4 indicate that the p-value of 0.341 is greater than 0.05, hence the null hypothesis three is accepted. This implies that there is no significant influence of revenue growth on the growth of non-current asset of quoted companies in Nigeria.

Note that, it is also important to highlight that, there is no significant influence of inflation position on the growth of non-current asset of quoted companies in Nigeria. The regression coefficient shown in table 4.4 indicates that the p-value of 0.850 is greater than 0.05. Hence the control variable has no significant influence on asset growth of quoted companies in Nigeria.

V. Discussion of findings

The multiple regression analysis reveals an R-Square of 0.010, which indicates that 10% of the variation in Non-current Asset growth of the quoted companies in Nigeria has jointly not contributable by their profitability, leverage and revenue growth respectively. This means that firm characteristics exert an insignificant influence on asset growth of quoted companies in Nigeria as confirmed by the p-value of 0.787, 0.775, 0.341 and 0.850 respectively.

The result of the analysis in table 4.4 specifically indicates a better value of -0.026 for profitability. This implies that if other variables are held constant, every unit change in profitability result to 2.6% variation in the asset growth of quoted companies in Nigeria. Such negative influence indicates that the larger the profitability, the lower the asset growth of the companies. Moreover, negative direction is in tandem with the findings in a study by Ahmed (2011) who asserted a no relationship between tangibility of asset and profitability of insurance companies.

Another isolated result shown in Table 4.4 furnishes a better value of 0.027 for leverage. This means that if other variables are held constant, a unit change in leverage result to 2.7% variation in the asset growth of quoted companies in Nigeria. The negative influence indicates that the larger the leverage, the lower the asset growth of the companies. Coincidentally, this result is convergent with the outcome of the study by Yuvaray and Abate (2013) who concluded that age of companies and asset did not significantly related with profitability of insurance firms.

Similarly, another analysis in Table 4.4 resulted into a better value of 0.086 for revenue growth. This implies that if other variables are held constant, every unit change in revenue growth result to 8.6% variation in the asset growth of quoted companies in Nigeria. The negative

influence indicates that the larger the revenue growth, the lower the growth of non-current asset of the companies. This finding is in agreement with those of some previous researcher such as Effiong, Asukwo and Enya (2020) who concluded that a negative effect on liquidity position and profitability level of companies exist in some variables while other variables posited a positive influence in the organization.

However, Table 4.4 further indicated a beta value for inflation. This means that if other variables are held constant, a unit change in inflation position result to -0.017 variation in asset growth of the quoted companies in Nigeria and -1.7% is approximately a neutral state or no variation.

V. Conclusion and Recommendations

Drawing from the test result of this study, there are negative influences by profitability, leverage and revenue growth of quoted companies in Nigeria. Therefore, the researcher recommended as follows:

- i. Quoted companies should compose their board on expertise, experience and qualification rather than gender in other to improve on its performance especially when relating profitability with the growth of non-current asset.
- ii. Companies should carefully monitor the fundamentals that indicate the growth of non-current asset and not merely focus on firm characteristics, since firm characteristics do not completely isolate companies from asset growth threats.
- iii. Although revenue growth is essential to the progress of any organization, management should strive towards improving in this direction in order to ginger the growth of non-current asset of its organization.

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Appendix

COMPANY	YEAR	PROFIT FOR THE YEAR(N)	NON CURRENT ASSETS(N)	TOTAL LIABILITY(N)	TOTAL ASSET(N)	REVENUE(N)	INFL(%)
ARDOVA PLC	2008	5,103,116	10,696,071	3,733,269	10,696,071	153,062,066	11.58
ARDOVA PLC	2009	-9,158,927	28,270,969	50,532,371	28,270,969	159,858,809	11.54
ARDOVA PLC	2010	-2,744,309	10,169,077	41,638,172	66,660,716	132,690,558	13.54
ARDOVA PLC	2011	-15,584,459	15,030,796	46,355,864	45,951,335	116,999,641	10.84
ARDOVA PLC	2012	654,461	17,028,648	30,616,456	37,464,000	78,921,742.00	12.22
ARDOVA PLC	2013	4,583,232	22,112,822	52,976,418	43,203,267	117,541,434	8.84
ARDOVA PLC	2014	4,456,617	56,801,461	94,903,629	139,238,298	170,127,978	8.06
ARDOVA PLC	2015	4,794,578	22,846,995	52,718,833	65,740,960	108,853,855	9.01
ARDOVA PLC	2016	3,235,829	22,171,280	61,584,263	73,458,995	131,613,962	15.68
ARDOVA PLC	2017	1,262,058	22,654,311	48,980,839	62,117,629	124,679,475	16.57
ARDOVA PLC	2018	631,471	11,138,651	46,980,763	60,729,733	172,262,873	12.09
ARDOVA PLC	2019	3,915,140,000	14,892,341,000	30,855,629,000	47,018,954,000	176,550,766,000	11.4
JAPPAUL OIL	2008	415,085	13,531,118	2,013,244	22,617,345	2,965,334	11.58

JAPPAUL OIL	2009	808,673	9,868,724	1,302,126	22,276,511	3,385,498	11.54
JAPPAUL OIL	2010	839,219	12,754,124	2,702,785	24,015,373	5,728,610	13.54
JAPPAUL OIL	2011	945,759	14,073,389	3,024,871	25,283,218	7,131,638	10.84
JAPPAUL OIL	2012	-4,597,217	20,982,889	15,176,205	32,560,844	7,243,638	12.22
JAPPAUL OIL	2013	29,804	21,642,844	22,043,151	39,406,911	8,031,756	8.84
JAPPAUL OIL	2014	-2,362,832	21,086,692	20,571,724	35,058,456	7,415,666	8.06
JAPPAUL OIL	2015	-6,969,888	22,238,164	27,970,020	35,020,432	5,434,086	9.01
JAPPAUL OIL	2016	-21,760,633	21,391,056	53,694,793	39,028,011	649,145	15.68
JAPPAUL OIL	2017	-10,644,678	20,473,932	54,320,231	29,054,179	191,383	16.57
JAPPAUL OIL	2018	-6,040,810	17,376,352	56,936,605	25,620,330	368,962	12.09
JAPPAUL OIL	2019	40,687,874,000	12,445,720,000	18,522,010,000	23,213,258,000	85,853,000	11.4
DANGOTE CEMENT	2008	21,871,047	14,629,790	25,546,191	58,173,389	80,671,383	11.58

DANGOTE CEMENT	2009	13,185,559	17,664,534	37,094,424	78,707,221	82,395,712	11.54
DANGOTE CEMENT	2010	106,605,409	315,839,667	187,190,414	398,699,629	202,565,699	13.72
DANGOTE CEMENT	2011	125,478,962	452,763,974	228,886,060	525,939,735	235,704,876	10.84
DANGOTE CEMENT	2012	146,016,119	518,057,242	211,859,515	624,000,619	285,635,278	12.22
DANGOTE CEMENT	2013	210,262,754	684,760,760	248,914,916	211,859,515	371,551,567	8.84
DANGOTE CEMENT	2014	185,814,123	845,557,694	324,897,950	963,441,064	371,534,117	8.06
DANGOTE CEMENT	2015	213,171,000	1,011,889,000	375,996,000	1,124,475,000	389,215,000	9.01
DANGOTE CEMENT	2016	368,205,000	1,308,963,000	521,197,000	1,502,564,000	426,129,000	15.68
DANGOTE CEMENT	2017	254,630,000	1,184,218,000	620,070,000	1,611,087,000	552,364,000	16.57
DANGOTE CEMENT	2018	481,456,000	1,280,948,000	428,426,000	1,721,944,000	618,301,000	12.09
DANGOTE CEMENT	2019	261,349,000,000	1,404,994,000	541,735,000,000	1,823,984,000	610,247,000,000	11.4
TOTAL OIL PLC	2008	4,393,162	12,984,668	31,635,115	41,770,668	177,411,946	11.58
TOTAL OIL PLC	2009	3,968,059	14,829,572	39,343,974	49,700,803	178,570,270	11.54
TOTAL OIL PLC	2010	5,436,638	16,784,746	45,672,172	54,601,360	160,604,104	13.54
TOTAL OIL PLC	2011	3,813,202	18,291,779	48,693,596	58,719,811	173,948,954	10.84
TOTAL OIL PLC	2012	4,670,917	20,330,784	64,766,161	76,067,066	217,843,731	12.22

TOTAL OIL PLC	2013	5,334,091	23,280,456	66,162,802	79,403,587	238,163,160	8.84
TOTAL OIL PLC	2014	5,290,458	25,178,842	81,582,650	95,512,428	240,618,693	8.06
TOTAL OIL PLC	2015	4,047,051	27,527,185	67,411,074	83,653,555	208,027,688	9.01
TOTAL OIL PLC	2016	14,979,095	30,167,462	113,358,063	136,928,160	290,952,520	15.68
TOTAL OIL PLC	2017	8,019,298	35,736,998	79,756,322	107,981,873	288,062,650	16.52
TOTAL OIL PLC	2018	7,960,893	42,608,380	101,789,895	132,520,783	307,987,896	12.09
TOTAL OIL PLC	2019	833,939,000	46,099,224,000	105,467,947,000	133,787,731,000	224,238,515,000	11.4
ETERNA OIL PLC	2008	-1,527,528	5,785,410	8,621,385	8,450,142	11,769,518	11.58
ETERNA OIL PLC	2009	-438,076	6,159,200	6,149,457	9,007,579	9,132,172	11.54
ETERNA OIL PLC	2010	677,367	6,643,587	4,373,815	8,860,740	13,721,943	13.54
ETERNA OIL PLC	2011	1,190,132	6,295,535	8,464,921	14,141,978	40,082,352	10.84
ETERNA OIL PLC	2012	946,356	6,308,302	768,862	7,165,967	89,637,474	12.22
ETERNA OIL PLC	2013	593,669	6,213,576	10,389,612	17,122,764	99,307,561	8.84
ETERNA OIL PLC	2014	1,258,798	6,270,985	10,036,967	18,048,814	82,832,117	8.06
ETERNA OIL PLC	2015	1,263,884	6,223,041	18,583,917	27,845,708	92,669,238	9.01
ETERNA OIL PLC	2016	1,523,153	6,464,795	20,649,982	31,101,289	107,536,032	15.68

ETERNA OIL PLC	2017	2,069,846	8,091,635	35,046,815	47,154,881	173,611,081	16.57
ETERNA OIL PLC	2018	1,139,517	9,302,507	39,990,944	52,690,694	251,874,722	12.09
ETERNA OIL PLC	2019	48,603	11,934,127,000	15,985,065,000	28,310,175,000	229,274,785,000	11.4
CONOIL	2008	0	8,222,081	0	0	0	11.58
CONOIL	2009	4,661,360	49,082,089	370,383,796	356,381,551	101,853,173	11.54
CONOIL	2010	5,402,724	54,242,120	454,733,465	458,512,241	102,878,494	13.54
CONOIL	2011	2,997,314	8,137,410	45,174,121	61,856,315	157,512,072	10.84
CONOIL	2012	714,981	7,148,715	67,434,680	83,095,975	149,993,261	12.22
CONOIL	2013	3,070,091	5,671,230	64,334,592	82,372,026	159,537,133	8.84
CONOIL	2014	834,421	5,225,318	70,497,410	86,593,457	128,352,674	8.06
CONOIL	2015	2,307,558	5,733,056	51,677,712	69,387,365	82,919,220	9.01
CONOIL	2016	2,837,884	5,762,694	51,367,783	69,833,464	85,023,546	15.68
CONOIL	2017	1,578,507	5,483,082	44,962,148	62,855,084	115,513,246	16.52
CONOIL	2018	1,796,042	5,988,795	42,596,172	60,897,246	122,213,014	12.09
CONOIL	2019	1,972,322,000	6,057,512,000	44,117,128,000	63,584,866,000	139,758,285,000	11.4
DANGOTE SUGAR	2008	21,871,047	14,629,790	25,546,191	58,173,389	80,671,383	11.58
DANGOTE SUGAR	2009	13,185,599	17,664,534	37,094,424	78,707,221	82,395,712	11.54
DANGOTE SUGAR	2010	11,282,240	15,742,539	21,398,945	62,293,982	89,980,499	13.72
DANGOTE SUGAR	2011	7,111,318	16,504,480	29,615,390	69,106,905	106,570,507	10.84
DANGOTE SUGAR	2012	10,796,416	18,770,861	36,687,579	82,956,678	106,868,054	12.22
DANGOTE SUGAR	2013	13,537,612	29,831,565	33,294,670	87,112,182	102,467,361	8.84

DANGOTE SUGAR	2014	11,908,690	32,765,392	38,761,602	97,287,804	94,103,677	8.06
DANGOTE SUGAR	2015	12,659,855	33,394,366	40,285,276	106,671,333	100,092,221	9.01
DANGOTE SUGAR	2016	14,198,693	33,161,623	101,351,298	175,936,048	167,409,161	15.68
DANGOTE SUGAR	2017	37,822,609	38,815,554	96,857,306	196,064,664	198,120,639	16.52
DANGOTE SUGAR	2018	25,830,941	33,585,972	71,343,585	178,523,711	146,549,176	12.09
DANGOTE SUGAR	2019	24,102,818,000	36,317,858,000	80,046,178,000	198,129,122,000	158,104,577,000	11.4
LAFARGE CEMENT PLC	2008	11,252,030	43,181,302	21,312,296	61,768,416	43,273,809	11.58
LAFARGE CEMENT PLC	2009	5,055,398	69,741,014	43,452,509	87,163,066	45,589,798	11.54
LAFARGE CEMENT PLC	2010	4,881,000	100,811,968	70,189,152	118,480,913	43,841,000	13.72
LAFARGE CEMENT PLC	2011	8,525,000	127,631,809	86,556,998	152,414,784	62,211,000	10.84
LAFARGE CEMENT PLC	2012	14,611,259	127,791,426	83,381,334	151,655,615	87,091,634	12.22
LAFARGE CEMENT PLC	2013	28,022,200	123,178,764	67,225,252	159,866,917	97,174,505	8.84
LAFARGE CEMENT PLC	2014	28,360,146	318,328,296	66,963,220	343,627,558	105,848,657	8.06
LAFARGE CEMENT PLC	2015	29,657,773	348,294,452	78,671,084	381,272,953	114,558,245	9.01
LAFARGE CEMENT PLC	2016	20,778,348	450,724,814	197,504,069	537,598,212	87,198,416	15.68
LAFARGE CEMENT PLC	2017	-13,223,626.00	507,836,054	351,401,045	616,169,940	177,170,362	16.52

LAFARGE CEMENT PLC	2018	4,141,764	518,062,642	321,948,571	577,692,296	187,043,475	12.09
LAFARGE CEMENT PLC	2019	22,721,616,000	422,597,886,000	138,660,094,000	500,081,653,000	188,407,004,000	11.4
NIGERIAN BREWERIES	2008	25,700,593	63,787,224	72,183,459	104,412,640	145,462,000	11.58
NIGERIAN BREWERIES	2009	27,910,091	69,358,539	60,417,789	106,987,883	164,207,000	11.54
NIGERIAN BREWERIES	2010	30,332,118	74,105,160	64,217,270	114,389,432	185,862,785	13.72
NIGERIAN BREWERIES	2011	38,434,033	163,304,104	137,142,382	215,447,123	207,303,379	10.84
NIGERIAN BREWERIES	2012	38,042,714	196,767,002	160,185,737	253,633,629	252,674,213	12.22
NIGERIAN BREWERIES	2013	43,080,349	207,474,164	140,400,448	252,759,633	268,614,000	8.84
NIGERIAN BREWERIES	2014	42,520,253	296,954,917	177,793,954	349,676,784	266,372,475	8.06
NIGERIAN BREWERIES	2015	38,049,518	299,277,103	184,473,658	356,707,123	293,905,792	9.01
NIGERIAN BREWERIES	2016	28,396,777	293,081,881	201,834,373	367,639,915	313,743,147	15.68
NIGERIAN BREWERIES	2017	33,009,292	295,234,878	204,575,606	382,726,540	344,562,517	16.57
NIGERIAN BREWERIES	2018	19,401,169	302,483,392	222,122,132	388,766,316	350,226,472	12.09
NIGERIAN BREWERIES	2019	16,105,912,000	310,401,595,000	214,939,253,000	382,503,825,000	323,002,120,000	11.4
NESTLE NIG PLC	2008	8,331,599	13,817,348	20,128,312	29,159,552	51,742,302	11.58
NESTLE NIG PLC	2009	9,783,578	25,404,616	33,706,437	44,250,372	68,956,777	11.54

NESTLE NIG PLC	2010	12,802,109	40,241,739	45,481,699	100,588,801	80,108,738	13.72
NESTLE NIG PLC	2011	16,808,784	54,990,986	53,452,905	133,936,779	97,961,260	10.84
NESTLE NIG PLC	2012	21,137,275	62,607,073	54,777,656	88,963,218	116,707,394	12.22
NESTLE NIG PLC	2013	22,258,279	66,451,672	67,612,679	108,207,480	133,084,147	8.84
NESTLE NIG PLC	2014	22,235,640	68,672,737	70,122,424.00	106,062,067	143,328,982	8.06
NESTLE NIG PLC	2015	23,736,777	70,500,367	81,207,979	119,215,053	151,271,526	9.01
NESTLE NIG PLC	2016	71,924,968	71,849,777	138,707,857	169,585,932	181,910,977	15.68
NESTLE NIG PLC	2017	33,723,730	74,299,175	101,925,951	146,804,128	244,151,411	16.52
NESTLE NIG PLC	2018	43,008,026	79,600,105	112,113,936	162,334,422	266,274,621	12.09
NESTLE NIG PLC	2019	45,683,113	86,336,830	147,816,685	193,374,314	284,035,255	11.4
CHAMPION PLC	2008	-851,027	2,915,744	5,112,962	2,915,744	1,495,514	11.58
CHAMPION PLC	2009	-1,015,788	2,497,944	6,977,308	2,497,944	1,226,549	11.54
CHAMPION PLC	2010	-1,237,196	2,076,182	9,722,632	5,162,634	1,873,796	13.72
CHAMPION PLC	2011	-1,825,759	5,162,634	9,101,170	7,071,361	1,791,109	10.84
CHAMPION PLC	2012	-1,337,505	5,978,441	10,229,200	6,799,200	1,785,345	12.22
CHAMPION PLC	2013	-1,178,336	8,125,302	13,746,102	9,137,716	2,233,259	8.84

CHAMPION PLC	2014	-754,523	8,053,408	3,721,950	9,592,381	3,302,383	8.06
CHAMPION PLC	2015	77,140	8,043,594	3,207,523	10,329,160	3,501,845	9.01
CHAMPION PLC	2016	530,389	7,794,985	2,290,380	9,961,240	3,864,943	15.68
CHAMPION PLC	2017	517,562	7,927,008	1,953,401	10,088,861	4,777,313	16.57
CHAMPION PLC	2018	-263,807	8,432,441	2,551,478	10,487,010	4,763,757	12.09
CHAMPION PLC	2019	168,580,000	8,643,870,000	2,949,587,000	10,981,383,000	6,927,177,000	11.4

