



Board Features and Timely Disclosure of Audited Accounts of Listed Deposit Money Banks in Nigeria

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Abstract

Objective—This study examines the moderating effect of company age on the relationship between board features on timely disclosure of audited financial statements. Specifically it tests the effects of board size, proportionate audit committee size, board independence on timely disclosure of the banks under study; and assess the influence of age as a moderator of board size, proportionate audit committee size, and board independence respectively as they affect timely disclosure of the listed deposit money banks in Nigeria.

Design/methodology—The sample of 10 banks out of 15 listed deposit money banks in Nigeria were used. Secondary data was gathered from the sampled banks' annual accounts and reports. Correlational research design was used to examine the relationship between the studied variables. Descriptive statistics, correlation, and hierarchical multiple regression analyses were eventually carried.

Results —This study finds that board size and proportionate audit committee size are negatively related to timely disclosure of listed deposit money banks in Nigeria with the later exerting significant effect on the dependent variable. Furthermore, company age moderates both corporate governance and timely disclosure. Therefore, this study recommends that companies should strategize ways to improve corporate governance practice in order to inspire confidence on investors by timely disclosure of the financial report.

Contribution – The study has been able to provide evidence on age as a moderator to some corporate governance determinants of timeliness disclosure peculiar to Nigerian Deposit Money Banks. It has also addressed the measurement issue regarding audit committee size, introduced a new term known as 'proportionate audit committee size' as a variable.

Keywords: Timeliness Disclosure, Board Features, Proportionate Audit Committee Size

1. Introduction

Accounting disclosure connotes efforts to provide accounting information, which involves the professional skills deployed by management and overseen by the firm's board of directors. The accounting disclosure is very important for all stakeholders as it provides them with the necessary information aimed at reducing the uncertainty and reliability perception level as well as enabling suitable economic and financial decisions. No matter how informative and accurate a financial information is, its reporting quality depends singularly on its timely disclosure (Ahmed & Che-Ahmad, 2016).

The annual financial reports published by companies are considered part of the most important sources of information due to the diversity of information contained in these reports. In order for financial statements to be relevant, they should have a number of characteristics; one of the most important characteristics is timeliness. Audit reports timeliness generally refers to the length of time from a company's financial year-end to the date of the auditor's report date and thus it is measured as the number of days between a firm's fiscal year-end and the publication date (Imen & Anis, 2015; Saqer, 2015).

Audit reports timeliness has been viewed and addressed from different angles. While some may prefer to look at audit time lag using audit report lag, others have used management lag, total lag as well as audit time lag. The auditing literature has long recognized the importance of audit delay research because audit delays affect the timeliness with which financial and audit information are publicly disclosed. Timeliness of audit reports in relation to financial reporting, is an important qualitative attribute of accounting information, which influences whether information is useful to those who read financial statements or otherwise. The timeliness of audited corporate annual financial reports is considered to be a crucial and an essential factor affecting the usefulness of information made available to various users. According to Soltani (2002) the accounting profession has documented that the timeliness of reports is a significant features of financial accounting information for the users of accounting information, and for regulatory and professional agencies.

One of the important objectives of corporate reporting is to provide information that will assist external users or professionals in decision making. This information, however, is required to be made available within a short period of time from the end of the reported period; otherwise, it loses some of its economic value. Therefore, reducing audit delays and improving timeliness of audit reports is recognized by the accounting profession, users of accounting information, and regulatory and professional agencies as an important characteristic of financial accounting information.

The delay in publishing audited financial statements in the Nigerian financial sector is a known challenge as observed by most stakeholders and users of such reports. The work of Leventis, Weetman, & Caramanis (2005) posits that delay in reporting has the tendency to pave way for insiders to mismanage corporate assets. The apex regulatory agency, which is the Security and Exchange Commission (SEC) stipulates a maximum of 90 days from the end of financial year within which such listed firms are expected to publish their reports. The works of Okougbo & Efobi (2014) and Oraka, Okoye, & Ezejiofor (2019) both point to some statistics that call for concern. They revealed that besides the average 122 days, which financial institutions take after the year end to publish their accounts, some firms take as long as 304 days after the year end to publish their accounts. There are a lot of contradictory statistics on audit report time lag across industries over time, which warrants more research on this subject. A study by Iyoha (2012) revealed that the age of company is the major company attribute that influences timeliness of financial reports in Nigeria. However, it is needful to examine age as a moderator to company attributes in determining timeliness of financial statements, especially as it relates to money deposit banks in Nigeria.

Based on the natural phenomenon that with age comes experience and greater efficiency, there is a general perception that as firms grow older, they gain more experience in management as well as their financial reporting practice. This is presumed to attract less time to be taken in reporting and consequently improving on the effectiveness of corporate governance mechanism. Thus there is the need to use age as a moderator to board features in a test of relationship as it affects financial reporting timeliness. Company age otherwise referred to as 'age' in this study is used to moderate the key independent variables, which include board size, proportionate audit committee size and board independence.

Another problem is the measurement of audit committee size as contained in extant literature. Regulatory provisions of some countries usually stipulate a fixed number of audit committee members. In the case of Nigeria, the Security and Exchange Commission (SEC) provides for a membership of six people (SEC 2011). This may generate a measurement problem in situation where all firms in an industry comply and the audit committee size measured as the total number of people in the committee. Such numbers may not enable proper regression analysis for that variable. This therefore requires a measure that could enable equitable representation of the numbers as discussed subsequently, and the variable renamed to reflect the measurements

applied. Based on this, 'proportionate audit committee size' is used in place of audit committee size.

Specifically, the two sets of objectives of the research include to:

- i) test the effects of board size, proportionate audit committee size, board independence on timely disclosure of the banks under study; and
- ii) examine the influence of age as a moderator of board size, proportionate audit committee size, and board independence respectively, as they affect timely disclosure of the listed deposit money banks in Nigeria.

The research is expected to provide evidence on age as a moderator to some corporate governance determinants of timeliness disclosure peculiar to Nigerian Deposit Money Banks. It will address the measurement issue regarding audit committee size, and fill variables gap by introducing a new variable to literature.

This work is organized according to the following structure: Section 2 is devoted to presenting the literature review, which includes the theoretical framework and hypothesis development. As for, Section 3, it is designed to describe the applied methodology, the empirical model along with the variables' definitions. Section 4 involves the presentation and review of statistical results, while section 5 presents the concluding remarks, which in turn includes the recommendations.

2. Literature Review

We review empirical works pertaining the key independent variables of the study such as board size, audit committee size, board independence, in relation to the financial reporting timelines, which is the dependent variable. The moderating role of age on the aforementioned independent variables as it affects timely disclosure is also explored from extant literature. All these are premised by a brief conceptualization of timely disclosure as presented subsequently.

Timely Disclosure

Studies on timely disclosure such as that of Turel (2010) document the need for information to be made available to financial statement users as rapid as possible, and as such reveal the necessary conditions to be satisfied if financial statements are to be useful. It has been argued that the shorter the time between the end of the accounting year and publication date, the more benefit can be derived from the audited annual reports. However, it is not possible to release annual reports unless it is certified as accurate by professional chartered accountant(s), to achieve this objective and timely release of the financial statement of an organization host of factors influence that which are not limited to corporate governance mechanism, external auditor' features and corporate attributes but this research work is limited to corporate governance mechanism that impact on timely disclosure of deposit money banks in Nigeria and the corporate governance mechanism variable chosen are discussed empirically below.

Board size and Timely Disclosure

Corporate boards are responsible for monitoring the quality of information contained in financial statements that are communicated to the public. It is argued that large board is associated with communication and coordination problem which makes large board as less efficient monitoring of prompt reporting of financial statements than small board (Dimitropoulos & Asterious, 2010). Imen & Anis (2015) argued that large board creates less participation, is less organized and is less able to reach an agreement about audit process and procedures as a result of the number of members in the board. However, large board size is argued on the contrary that it comes with diverse experience, specialization and professionalism that aid decision taking and timely disclosure (Adams, 2012; Azubike & Aggreg, 2014; Saqer, 2015) From the foregoing, it is expected that large board size will impact on timely disclosure of Deposit money bank positively.

Proportionate Audit Committee Size and Timely Disclosure

Size of audit committee determines the effectiveness of committee's ability to discharge its responsibilities (Al-Matari, Al-Swidi, & Al-Matari, 2012). However, in Nigeria, the Security and Exchange Commission (SEC) requires that there should be six members on audit committee, which comprise three directors and three shareholders (SEC 2011). The choice of as much as six audit committee members seems a better option as it will allow flexibility, inclusion of more experts into the committee, as well as greater representation. Kim & Yoon (2005) find positive and significant relationship between audit committee size and earnings management in Korean listed firm. Another study by Hamdam, Al-Hayale, & Aboagela (2009) revealed negative relationship between audit committee size and earning management in Jordanian companies. Based on this proposition, it is expected that, there is a significant relationship between audit committee size and timely disclosure of deposit money banks in Nigeria.

Board Independence and Timely Disclosure

Independent non-executive directors with the right set of skill and which have no business which could interfere with the exercise of an independent judgment are viewed to better monitor management than inside directors. Therefore, because of their high degree of impartiality, they are believed to be willing to stand up to the CEO to protect the interests of all shareholders (Zaitul, 2010). Board independence is measured by dividing the number of independent non-executive directors by the board size (which is the number of board of director members). Researchers such as Mohamad-Nor, Shafie, & Wan-Hussin (2010); Hashim & Rahman (2010) find a negative significant relationship between board independence and audit report lag, while Wu, Wu, & Liu (2008) and Afify (2009) found a positive significant relationship between board independence and audit report lag. It is therefore, expected that board independence is significantly associated with timely disclosure of deposit money banks in Nigeria. A theoretical frame work and model building is used to conclude the literature.

Moderating Effect of Company Age on Corporate Governance versus Timely Disclosure

The external auditor is generally associated with ensuring that the reliability of the financial statements drawn up by the board of directors for the shareholders is confirmed (Ahmed & Che-Ahmad, 2016). Also according to Dehkordi & Makerem (2011), age is expected to moderate the relationship between corporate governance mechanism (board size, board independence and audit committee size) and timely disclosure.

The age of a company has been identified in prior literature as an attribute having likely impact on the quality of accounting practice in terms of corporate governance practice and report timeliness. The older the firms, the more likely they are to have strong internal control procedures. Thus, fewer control weaknesses that could cause reporting delays are expected in older firms. Similarly, younger firms are more prone to failure and have less experience with accounting controls (Hope & Langli, 2008). Therefore, company age has the potential to reduce reporting delay and better corporate governance practices.

The external auditor is generally associated with ensuring that the reliability of the financial statements drawn up by the board of directors for the shareholders is confirmed (Ahmed & Che-Ahmad, 2016). Added to this, the older the company in term of number of annual reports produced the more experience gathered in financial reporting practice the less time taking in reporting and consequently the effective the corporate governance mechanism (Dehkordi & Makerem, 2011). In line with the above company age is expected to moderate the relationship between corporate governance

mechanism (board size, board independence and audit committee size) and timely disclosure.

Theoretical Framework and Hypothesis Development

Some of theories that either underpin or relate to relationships between corporate governance variables as it pertains to this study, timely disclosure include the resource dependency theory, adverse selection theory and the agency theory. This paper attempts to establish a link between some of the corporate governance variables and timely disclosure.

The relationship between board independence and timeliness disclosure is supported by resource dependency theory, which suggests that different people with different backgrounds have the tendency to contribute to timely reporting of financial statements. Kelton & Yang (2008) document that a high percentage of independent directors on the board, has a higher capacity to influence the monitoring of managerial opportunities, and reduce management tendency of withholding information. In other words, they posit that a board of directors with a higher proportion of members with diversified fields and expertise has the tendency to be critical by mounting higher degree of scepticism in deploying surveillance on decisions and reports, which makes it more difficult for management to withhold or delay information. Based on the argument of Kelton & Yang (2008), a board with a higher concentration of independent directors who are from diverse fields, has the tendency to reduce disclosure timeliness. This suggests a negative correlation between board independence and disclosure timeliness.

It is therefore hypothesized in null form that Board Independence has no significant negative effect on timely disclosure of listed Deposit Money Banks in Nigeria

The relationship between board size and timeliness disclosure is supported by the adverse selection theory. There are arguments that larger boards have higher tendency to disclose more than the smaller boards as a result of less problem information asymmetry, and its robust and collective exposure to better reporting. This suggests that the larger the board the better and hence timely reporting. There are other earlier positions on this relationship as discussed subsequently.

On the contrary many scholars such as Lipton & Lorsch (1992), and John & Senbet (1998) provide evidence that smaller boards are more effective in monitoring the activities and reporting process of the organization, thereby reducing the chances of manipulation. By this position, it implies that if there are no chances of manipulation by the organization because of effective surveillance, the disclosure should be timelier with smaller boards. This suggests that as the board size grows bigger, timely disclosure will reduce; meaning that there is a negative correlation between board size and timeliness disclosure. It is therefore hypothesized that board size has no significant negative influence on timeliness disclosure of listed deposit money banks in Nigeria.

Audit committee Size is another important determinant of timely disclosure. Agency theory addresses the relation between principal and agent as documented by (Jensen & Meckling, 1976). The board of directors serve as the agents to the shareholders of the organization. Since the shareholders are not normally involved in the management of the business, they rely on the management or board members in the efficient management and timely reporting of the financial statements. Such reports have to be audited and authenticated by the external auditors as required by law before public disclosure. Since the management is responsible for the reporting they also have to ensure compliance to relevant laws and provisions in the reporting process, and aspect which is the responsibility of the audit committee. In order to ensuring compliance, the audit committee is expected to liaise with the external auditors to ensure timely and proper reporting. Their activities have the potential to influence the timeliness of reporting, which entails disclosure.

Timeliness
Disclosure,
Board Features,
Proportionate
Audit
Committee Size

The audit committee size may affect the timeliness of disclosure of the financial report. Regulatory provisions of most countries have ceiling on the number of audit committee, and stipulate the mix on the components between the board members and the shareholders. For instance, in Nigeria, the Security and Exchange Commission (SEC) provides that there should be six members on audit committee out of which there should be three directors and three shareholders (SEC 2011). The analytical implication of having such equal component for the traditional measure of size is that if all Banks comply, there will be no basis for running a regression analysis. Since the usual measurement for audit committee size is total number of members of the committee. It is therefore better use a different measure but alter the traditional name from audit firm size to 'Modified audit firm size'.

Ahmed & Che-Ahmad (2016) in their study document a negative correlation between audit committee size and audit reporting lag. For the Nigerian Banking sector, it is expected that the modified audit firm size should exert some influence on timeliness disclosure. It is therefore hypothesized that Modified audit firm size does not exert significant negative effect on reporting timeliness.

Extant literatures document that company age is an important determinant of financial reporting timeliness. Iyoha (2012) in his review of studies on this relationship deduced that company age has the potential to reduce reporting lag, and hinged this position based on the works of Owusu-Ansah & Yeoh (2005) and Hope & Langli (2008). However, some of the literatures such as Soltani (2002) provide conflicting evidence on the potential of age to increase reporting lag, there may be peculiarities in some domains as well as industries that could generate such differentials. But we align with the more popular and convincing position as provided by the above studies, which support the position that larger firms are more likely to reduce timeliness disclosure, and vice versa. This is because of their greater reporting experience and a higher level of efficiency on this aspect. It is therefore hypothesized that age does not have significant negative effect on timeliness disclosure.

Age as a moderator has been used in a number of studies. As acknowledged earlier, age is expected to moderate the relationship between corporate governance mechanism (board size, board independence and audit committee size) and timely disclosure as documented by (Dehkordi & Makerem, 2011). It therefore hypothesized that age does not have any effect on the threefold relationships between (board size and timely disclosure, board independence and timely disclosure, and proportionate audit committee size and timely disclosure).

3. Research Method

This study adopts the correlation research design to examine the relationship between corporate governance mechanisms (board size, board independency and Proportionate audit committee size) on timely disclosure of listed deposit money banks in Nigeria. The choice of correlation research design is informed by its effectiveness in studying the relationships as well as the impact of one variable on another, thus, consistent with the objective of this study.

The population of the study comprises of all the fifteen (15) deposit money banks listed on the floor of the Nigerian Stock Exchange Market as at 31st December, 2016. Deposit money banks are considered in this study because they are one of the most active sectors of the Nigerian economy in the last two decades, therefore makes them suitable for the study of corporate governance mechanisms and timely disclosure. However, based on the data accessibility and availability within the short time frame of this study, five banks were filtered out, and the sample size of the study is 10 deposit money banks.

The study used secondary data from the secondary sources (financial statements) of all the sample banks for the period of ten (10) years (2007-2016). Ordinary Least

Squares (OLS) multiple regression technique of data analysis was used to analyse data collected for the study. OLS technique was chosen because of its effectiveness in estimating the effects of theoretical related variables. STATA software was employed.

Variables Measurement and Model Specification

The variables deployed in the research are as defined in table 1 below. The models as well as the parsimonious model are presented subsequently.

Timeliness
Disclosure,
Board Features,
Proportionate
Audit
Committee Size
Table 1. Variables
Measurement

Variable	Acronyms	Variable Type	Measurement and Source
Timely Disclosure	TIMD	Dependent	Length of days from accounting year end to auditors signature date (Saqr, 2015; Turel, 2010)
Board Size	BSIZ	Independent	Number of board of directors (Imen & Anis, 2015).
Board Independence	BIND	Independent	Ratio of independent directors to total board members (Imen & Anis, 2015).
Proportionate Audit Committee Size	PACS	Independent	Ratio of Audit Committee members to total board members
Company Age	CAGE	Independent/ Moderator	Number of years the company has existed (Hope & Langli, 2008).

μ = error term
 $\beta_1 - \beta_5$ = Beta coefficient
 it = period i and time t
 α_{it} = the constant

To achieve the research objectives of this study, the following regression model is adopted from the work of (Hope & Langli, 2008).

Multiple Regression Model (Before inclusion of moderating variable)

$$TIMD = \alpha_{it} + \beta_1 BSZE_{it} + \beta_2 PACS_{it} + \beta_3 BIND_{it} + \mu_{it} \dots \dots \dots (i)$$

Multiple Regression Model (with inclusion of company age)

$$TIMD = \alpha_{it} + \beta_1 BSZE_{it} + \beta_2 PACS_{it} + \beta_3 BIND_{it} + \beta_4 CAGE_{it} + \mu_{it} \dots \dots \dots (ii)$$

Hierarchical Moderated Multiple Regression Model (After inclusion of moderating variable)

$$TIMD = \alpha_{it} + \beta_1 BSZE_{it} + \beta_2 PACS_{it} + \beta_3 BIND_{it} + \beta_4 BSZE * CAGE_{it} + \beta_5 PACS * CAGE_{it} + \beta_6 BIND * CAGE_{it} + \mu_{it} \dots \dots \dots (iii)$$

4. Result and Discussion

Descriptive Statistics

Descriptive statistics are useful to the researcher considering that they give a clear presentation of the behaviour of data used for the regression analysis. The descriptive statistics table showed information on the mean, standard deviation, minimum and maximum for each of the variables employed in the study. Table 2 contains descriptive statistics results of the study in a summary form.

Table 2. Descriptive
Statistics

Variables	Mean	S.Dev.	Minimum	Maximum
AUDE	83.36	18.9478	34	146
BSZE	15.94	2.2375	11	22
BIND	0.1021	0.0979	0	0.2667
PACS	0.3840	0.0604	0.3	0.6154
CAGE	42.9	33.2923	17	122

Table 2 shows that the mean of audit delay (AUDE) is 83 days representing average audit delay across listed deposit money banks. It is also observable from the table that the difference between the mean of audit delay and standard deviation of audit delay across listed deposit money banks is 65 days indicating low variability around mean. It implies that the audit delay is low among the quoted manufacturing firms in Nigeria. The table also showed that the minimum and maximum audit delay are 34 and 146 days respectively, indicating a very wide range. This means that audit delay is very high in some years than in others. Thus, listed deposit money banks tend to record a very high audit delay at some years and low audit delay in other years. This means that based on the domain and period of this study, the earliest time within which listed deposit banks in Nigeria can release their financial report is 34 days.

The mean of board size as indicated by table 2 is 15.94, representing the average board size of the listed deposit money banks in the study. The standard deviation is 2.24 indicating a wide variability among the variables. It means that most of the firms are not within the same range in terms of their board size. The minimum and the maximum board size are 11 and 22 respectively. This implies that the range is 11, indicating a wide range in board membership of listed deposit money banks in Nigeria. This implies that the difference between the biggest board membership and the smallest is very wide among listed deposit money banks in Nigeria.

Table 2 also showed that board independence means across listed deposit money banks in Nigeria is 0.1021, representing the average board independence; while the standard deviation is 0.0979 representing the variability of distribution around the sampled listed deposit money banks in Nigeria within the period covered by the study. This implies that the level of board independence among listed deposit money banks is low. Some firms tend to record relatively low level of board independence than others. The minimum and the maximum as shown by the table are 0 and 0.2667. Hence, the range is 0.2667 implying that there is no much board independence among sampled firms.

Table 2 showed that average proportionate audit committee size (PACS) across the sampled listed deposit money banks in Nigeria within the period of the study is 0.38. The standard deviation is 0.06 indicating a wide level of variability in the PACS among the firms. The difference between the mean and the standard deviation is 0.32. This indicates a wide variability around the mean. The minimum and maximum are 0.3 and 0.61 respectively. Thus, the range value is 0.31 representing the difference between the maximum and minimum PACS among the sampled listed deposit money banks in Nigeria.

The mean of firm age as indicated by table 2 is 42.9, which shows the average age of the sampled listed deposit money banks in the study. The standard deviation is 33.29 indicating a low variability among the variables. It means that most of the listed deposit money banks are within the same range in terms of their age. The minimum and the maximum age of sampled firms are 17 and 122 years respectively. This implies that the range is 105 years, indicating a very wide range in age of the least sampled firm age and the highest one. It implies that the difference between the firm with the lowest age and the one with the highest age is very wide.

Correlation Result

The correlation matrix shows the relationship between each pairs of variable in the regression model, the level of correlation between the variables is very important because excessive correlation may distort the standard error of estimation and lead to a wrong conclusion (Ahmad, 2014). The correlation matrix also serves as a preliminary test for multicollinearity. However, in this study, further test of multicollinearity was conducted through Variance Inflation Factor (VIF) and Tolerance Value (TV).

Variables	AUDE	BSZE	BIND	ACSZ	CAGE
AUDE	1.0000				
BSZE	0.1044	1.0000			
BIND	-0.1717	-0.3302	1.0000		
PACS	-0.2517	-0.7382	0.2730	1.0000	
CAGE	0.2390	0.3431	-0.5400	-0.2047	1.0000

The correlation matrix showed the relationships between each pair of variables. The relationship between each independent variable and the dependent variable expected to be strong while the relationship between each pair of independent variable is expected to be low. This is because, according to Gujarati and porter (2009), a correlation coefficient between two independent variables above ± 0.8 is considered excessive and may indicate the existence of multicollinearity. However, table 3 showed that all correlation coefficient between the pairs of the independent variables are less than ± 0.8 . Thus, suggesting that the five independent variables can be well fitted into one regression model.

Multicollinearity Test

Multicollinearity test is conducted to check harmful correlation between the explanatory variables that could distort the regression result. In this study, multicollinearity test was conducted using Variance Inflation Factor (VIF) and Tolerance Value. According to Gujarati and Porter (2009), when VIF value is more than 10 and/or when the tolerance value (TV) is more than 1.00 then there is a strong indication of the presence of multicollinearity.

Variables	VIF	1/VIF
BSZE	3.75	0.2664
PACS	3.48	0.2877
CAGE	1.52	0.6558
BIND	1.47	0.6801
MEAN VIF	2.56	

Table 4. Multicollinearity

The outcome of the multicollinearity test as revealed in table 4 shows that all the VIF values are less than 10 and the tolerance values are less than 1. In addition, the mean VIF as indicated by the table 4 is as low as 2.56. The result means that there is no evidence of multicollinearity among the explanatory variables.

Analysis and Interpretation of Regression Results

A 3 step hierarchical regression was conducted to ascertain the association between timely disclosure as dependent variable, board size, proportionate audit committee size and board independence as independent variables, while company age moderates the relationship between the independent variables and the dependent variable. Step 1 includes only the independent variables (board size, proportionate audit committee size and board independence) and the dependent variable (timely disclosure). In the second step, company age as the moderator variable is presented to determine its significant direct impact on timely disclosure. While in step 3, the interaction in terms of company age with board size and timely disclosure, company age and proportionate audit committee size, and company age and board independence are presented in table 5 below).

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Table 5. Hierarchical
Multiple Regression
Results

Variable Acronyms	Model 1			Model 2			Model 3		
	Coef.	t	P-value	Coef.	t	P-value	Coef.	t	P-value
Intercept	208.74	4.80	.000	224.00	5.22	.000	210.46	4.68	.000
BSZE	-3.49	-2.30	.023	-4.46	-2.92	.004	-3.06	-1.68	.096
PACS	-173.76	-3.16	.002	-197.6	-3.62	.000	-222.27	-3.97	.000
BIND	-30.27	-1.54	.126	-4.55	-0.21	.836	9.23	0.22	.830
CAGE				.16	2.42	.018	-	-	-
BSZECAGE							-.02	-1.39	.169
PACSCAGE							1.30	2.07	.042
BINDCAGE							-.41	-.31	.754
Obs	100			100			100		
R ²	.1233			.1741			.2002		
Adj R ²	.0959			.1393			.1486		
F-statistic	4.50			5.00			3.88		
Prob>F	.0053			.0011			.0017		

Discussion

The regression result in table 5 reveals that in Model 1, board size, and audit committee size contributed significantly to the regression model, while board independence is insignificant although all variables are negatively correlated with timely disclosure of the deposit money banks. The overall model is fit with $F(100) 4.50 = p < .005$ and accounted for 10% of the variation in timely disclosure. In Model 2, company age was added to the equation; the signs and levels of significance of the independent variables still remain unchanged as compared to the first model. The overall model still remains fit with the probability of F statistics being significant. Hence $F(100) 5.0 = p < .001$ and accounted for 14% variation in timely disclosure. This shows that the moderating variable (company age) has significant impact on the dependent variable (timely disclosure), and has fulfilled the step 2 of conducting analysis on moderation as opined by Baron and Kenny (1986).

However, in Model 3, the interaction terms (that is, the products of moderating variable and the independent variables) are added to the equation, where the result explained an additional 5% variation in timely disclosure and this change in Model1 (Δ Model 3) was significant, $F(100) 3.88 = p < .002$. As such, company age moderates the effect of timely disclosure (BSZE, PACS and BIND) on timely disclosure as expected by hypothesis 2 of this study.

This study examined the relationship between corporate governance (proxied by board size, proportionate audit committee size and board independence) and timely disclosure moderated by company age. The result obtained in this study reveals that board size (BSZE) has a statistically and negative relations with timely disclosure, $r(100) = -3.49, p < .023$. In the same vein, proportionate audit committee size (PACS) has a statistically significant relation with timely disclosure, $r(100) = -173.76, p < .002$. However, the result shows that board independence (BIND) is not statistically significant, and has negative correlation with timely disclosure, $r(100) = -30.27, p < .126$.

Moreover, the regression result shows that company age is positively related to timely disclosure, $r(100) = .158, p < .018$. Whereas, the regression result discloses that company age has significant direct impact on timely disclosure. This has fulfilled the requirements of Baron and Kenny (1986) in testing moderations.

The parsimonious model, which is the model 3 as generated from equation 3 is the main model for our inference. However, there are trends worthy of note from the regression results. One of such is the increase in explanatory power as revealed by the R² from .0959, 0.1393, and 0.1486 for model 1, model 2 and model 3 respectively. This shows that there is moderating effect by virtue of the introduction of moderator variable and the consistent and corresponding increase arising from the introduction com-

pany age in equation 2, and the moderator variables in equation 3 as revealed in model 2, and model 3 respectively.

It can also be observed that board size, which is significant when mainly corporate governance variables were deployed based on the first model, became stronger being significant at 1%, by the introduction of age in the second model. However, the association of the moderators arising from the parsimonious model produced a weak effect since it became insignificant at 5% level.

Although board independence remains insignificant all through the analyses, there is a change in sign from a negative correlation to a positive one. This suggests that a further manipulation by the introduction of more number of observations and a similar but stronger moderator could lead to a remarkable change in the influence of board independence on the dependent variable.

Model 1 in Table 5 above also reveals that, BSZE has a coefficient -3.49 with a p-value 0.023 signifying a negative and significant relationship with timely disclosure. This finding is in agreement with the findings of Dimitropoulos & Asterious (2010) and (Imen & Anis, 2015) they argued that, large board creates less participation, is less organized and is less able to reach an agreement about audit process and procedures as a result of the number of members in the board, our findings contradict the findings of Adams (2012) and Saqer (2015) whom recorded significant positive relationship. However, the interactive relationship between board size and company age did not alter the negative impact recorded in model 1 of our regression though the relationship became insignificant, this implies that company age did not moderate the relationship between board size and timely disclosure of listed deposit money banks in Nigeria.

The numbers from the table also show from model 1 that, PACS has a coefficient -173.76 with a p-value 0.002 signifying a negative and significant relationship with timely disclosure. This finding is in agreement with the finding of (Hamdam et al., 2009). However, the interactive relationship between proportionate audit committee size and company age altered the negative impact recorded in model 1 of our regression, with the interacting coefficient 1.297 and a p-value 0.042, this implies that company age moderated the relationship between proportionate audit committee size and timely disclosure of listed deposit money banks in Nigeria. This finding agrees with the argument that the older a company in term of number of annual reports produced the more experience gathered in financial reporting practice the less time taking in reporting and consequently the effective the corporate governance mechanism (Dehkordi & Makerem, 2011).

The result obtained in this study reveals that board independence (BIND) has negative and insignificant relationship with timely disclosure with coefficient -30.27 and p-value of 0.126. However, the interactive relationship between board independence and company age does not alter the negative and insignificant impact recorded in model 1 of our regression, this implies that company age did not moderate the relationship between board independence and timely disclosure of listed deposit money banks in Nigeria.

Moreover, the regression result shows that company age is positively related to timely disclosure in model 2 with a coefficient 0.16 and a p-value of 0.018, the regression result discloses that company age has positive and significant direct impact on timely disclosure. This has fulfilled the requirements of Baron & Kenny (1986) in testing moderations.

5. Conclusions

The study examined the influence of the moderating role of company age on the relationship between corporate governance and timely disclosure of listed deposit money banks in Nigeria. The findings show that corporate governance mechanisms (board size and audit committee size) are significantly related to timely disclosure.

But, board size has no significant relationship with timely disclosure of listed deposit money banks in Nigeria. This may be due to inconsistency in the appointment of independent directors in the sector.

Moreover, the study reveals that company age moderates the relationship between corporate governance and timely disclosure of listed deposit money banks in Nigeria. This may affect corporate governance practice, and as well, lead to timely disclosure of listed deposit money banks in Nigeria. Furthermore, company age is found to be significantly related with timely disclosure, thereby moderating relationships between corporate governance (board size, proportionate audit committee size, board independence) and timely disclosure of the sampled banks.

The study has been able to provide evidence on age as a moderator to some corporate governance determinants of timeliness disclosure peculiar to Nigerian Deposit Money Banks. It has also addressed the measurement issue regarding audit committee size, introduced a new term known as 'Proportionate audit committee size' as a variable.

Consequently, the research recommends that companies should strategize ways to improve corporate governance practices in order to inspired confidence on investors by timely disclosure of the financial transactions. Secondly, regulatory agencies, policy makers, and users of financial statements should be always interested in the age of a firm when trying to make a decision concerning the financial statements of a firm. Researchers in this area should consider the possibility of adopting 'proportionate audit committee size' and its measurement as deployed in this study in future researches.

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