
**MODERATING EFFECT OF AUDITOR REPUTATION ON FIRM
CHARACTERISTICS AND FINANCIAL REPORTING
TIMELINESS OF LISTED DEPOSIT****MONEY BANKS IN NIGERIA***Sotonwa Gbenga Emmanuel¹, Professor Jacob Ojobo Ame²,**Dr. Iyere Samuel Iheonkhan³**^{1,2,3}Department of Accounting, Nasarawa State University Keffi**Corresponding author(s) 'email/mobile: emmashotonwa@gmail.com**[/08037884668](tel:/08037884668)¹, 08038965411², 08063216925³***Abstract**

This study examined the moderating effect of auditor reputation on firm characteristics and financial reporting timeliness of listed deposit money banks in Nigeria. The study adopts ex-post facto research design using secondary data from annual reports and audited accounts of listed deposit money banks for ten years (2014-2023) to examine the effect of firm size, leverage and non-executive director on financial reporting timeliness. The population of this study consist of fourteen (14) deposit money banks listed on Nigerian Exchange Group as at 2023. The fourteen (14) deposit money banks were selected to represents the sample size for the study by using purposive sampling technique. Data was analyzed using Poisson regression estimation technique. Based on the findings, the study concludes that firm size and leverage has negative and significant effect on financial reporting timeliness of listed deposit money banks in Nigeria. Non-executive director has negative and insignificant effect on financial reporting timeliness of listed deposit money banks in Nigeria. Besides, auditor reputation has a negative and significant moderating effect on the relationship between firm characteristics and financial reporting timeliness of listed deposit money banks in Nigeria. The study concludes that audit reputation moderates the relationship between firm characteristics and financial reporting timeliness of listed deposit money banks in Nigeria and recommended strict adherence to regulatory guidelines to avoid regulatory fines.

Keywords: firm characteristics, financial reporting timeliness, auditor reputation

1. Introduction

Providing information to support internal and external users in their decision-making is one of corporate reporting's primary goals. However, this information must be made available shortly after the reported period ends in order to prevent the accounting information from losing its economic value. The management of a firm that prepares the reports and the auditor that offers the audit and assurance services are both required to consider timeliness. Timeliness according to International Accounting Standard Board (IASB, 2008) is the availability of information needed by decision makers for useful decision making before it loses its capacity to influence decisions.

Odjaremu and Jeroh (2019) and Aifuwa et al. (2018) posited that timelines are considered as one of the four improving qualitative aspects of financial information and it ensures that users have access to information provided by companies before it loses its relevance. For instance, reducing audit delays to enhance and address the timeliness

**MODERATING EFFECT OF AUDITOR REPUTATION ON FIRM
CHARACTERISTICS AND FINANCIAL REPORTING
TIMELINESS OF LISTED DEPOSIT
MONEY BANKS IN NIGERIA**

of audit reports is considered a crucial issue in the accounting profession in general; and specifically, to the users of accounting information, regulatory and professional bodies.

When stakeholders use financial reports to make decisions, the timeliness of corporate financial reports has been a major concern on a global scale. This is because users will eventually receive little to no value from information that is delayed. One highly significant qualitative aspect of financial data is thought to be timeliness (Payne & Jensen, 2002). This is due to the fact that accounting information loses value when it is not timely. Given the consequences and regulatory fines for releasing financial reports and accounts later than expected, the importance of timely financial statement release cannot be overstated. In Nigeria, companies have a maximum of three (3) months to complete and publish their financial reports, Companies and Allied Matters Act [CAMA] (2020).

Auditor reputation refers to the corporate image built over time by auditing firms. It may be as a result of the array of auditors the firm possesses, the brand name, the perceived audit quality resulting from little or no litigations, the fees charged etcetera. According to Gregory and Jeanes (2007), for one to measure reputation itself, it has to be based on an assumption of quality, which is difficult to evaluate however, researchers can deduce it from the audit methods used by audit firms. Consequently, the study focuses on assessing how auditor reputation moderates the nexus between firm characteristics and financial reporting timeliness of listed financial services firms in Nigeria.

Prior study such as Terkende and Karim (2022), Oraka et al., (2019) and Danladi (2016) have sought the relationship between timeliness and corporate attributes, such as firm size, leverage, non-executive directors, and corporate governance, areas such as improvement in technology, operational complexity and self-satisfaction are becoming issues of concern in reporting timeliness. On this basis, the study's motivation is to re-examine moderating effect of auditor reputation on firm characteristics and financial reporting timeliness of listed deposit money banks in Nigeria. The specific objective of this study is to examine the combine effects of firm size, non-executive director and leverage on financial reporting timeliness of listed deposit money banks in Nigerian.

2. Literature Review

Financial Reporting Timeliness

The period of time between the end of an entity's fiscal year and the release of the financial report to users of accounting information is referred to as the timeliness of financial reporting, according to Oraka et al. (2019). According to the study, the timeliness was measured by counting the days that elapsed between the fiscal year's end and the external auditor's signature on the financial statement. Lukason and Camacho-Minano (2020) offered a definition akin to this, characterizing financial reporting timeliness as managers' ability to comply with legally mandated financial reporting obligations. According to Al Daoud et al. (2017), the timeliness of financial reporting is determined by both the frequency and the timeliness of the reports.

Timely reporting is seen as providing information financial and non-financial to decision-makers or users of financial information before it becomes obsolete. Al-Muzaiqer et al. (2018) agreed that information may become less valuable if it is difficult for consumers or decision makers to access it. Timely financial reporting tends to reduce information asymmetry and enhance decision-making, claim Zaitul and Ilona

(2019); Armand et al (2020); Oraka et al. (2019). According to this study, financial reporting refers to the process of informing stakeholders, including management, investors, and the government, about an organization's financial situation.

Firm Characteristics

Firm's characteristics can be determined based on the relevant information disclosed on its financial statements for a particular accounting period (Stainer, 2006). Dean, et al., (2000) posited that firm characteristics are essential determinants of a firm's performance as well as its success in business. According to this study, the concept of firm characteristics refers to the various attributes and traits that define a particular company or organization. These characteristics provide insights into the company's nature, behavior, and performance. Understanding a firm's characteristics can help investors, researchers, analysts, and stakeholders assess its strengths, weaknesses, and overall potential. Firm characteristics variables used in this study include, firm size, non-executive directors, and leverage,

Firm size refers to the speed and extent of growth that is ideal for a specific company. Most companies' intent to expand the size of their business operation for them to grow either in revenue, profit, number of employees, or size of facilities (Pervan & Visic, 2012). Many companies compete in rapidly changing industries, expansion of manufacturing capacity, geographical presence, market shares and so on which may be imperative for survival (Dogan, 2013). Bala et al. (2005) consider firm size as an important determinant of firm performance. Similarly, most manufacturing firms use natural log of total assets. Consistent with this view, Bala (2005), Zahid et al. (2013), Makoto and Pascal (2011) all measured firm size using natural log of total assets. To this end, firm size is measured using natural log of total asset in this study.

Leverage is also known as Equity or Debt ratio, measure the overall debt load of the business and compare the load with the assets or equity of the business enterprise. It is the debt elements of a firm's capital structure. Capital structure is the combination of debt which is leverage as well as equity found employed to finance a firm's activities (Ebaid, 2009). It is used as the control variable which is measured by the value of total debt divided by total equity of each of the firms. Leverage was introduced because of the view that audit quality may also be affected by other factors not captured in the independent variables.

Non-executive director is determined by the ratio of non-executive directors to all other board members. The board of directors should not have any connections to the company. Non-executive directors are not allowed to hold any financial or stock ownership interests in the company (CBN, 2014). Stefanescu (2013) asserts that board independence is a strategy for assisting with and resolving issues that managers and owners face as a result of the separation of ownership from control, which is ascribed to an informational imbalance. Large numbers of non-executive directors on the board can aid in monitoring management actions, particularly in areas of opportunistic behavior. Non-executive outside directors with a weaker tie to management may play a key role in pressuring companies to provide more crucial information to dispersed investors. This is because they are independent contractors who represent the interests of numerous stakeholders or company shareholders rather than being employed by the company.

Auditor Reputation

Lai (2013) defines a moderating variable as an independent variable that affects the strength and/or direction of the connotation between another independent variable and an outcome or dependent variable. In this study, financial leverage, profitability and company size were moderated by auditor reputation. Auditor reputation which according to this study is described as a dichotomous variable that is designated as 1 if

**MODERATING EFFECT OF AUDITOR REPUTATION ON FIRM
CHARACTERISTICS AND FINANCIAL REPORTING
TIMELINESS OF LISTED DEPOSIT
MONEY BANKS IN NIGERIA**

the deposit money banks is audited by the big4 audit firms or designated as 0 if otherwise is the moderating variable. The big4 audit firms are Delloite, Ernst and Young, PricewaterhouseCoopers (PwC) and KPMG.

Firm Size and Financial Reporting Timeliness

Abdullahi and Joshua (2020) examined the effect of selected firm's attributes on financial reporting timeliness of listed firms in Nigeria with focus on Agricultural, conglomerate and insurance sectors. A sampled 65 firms out of the total population of 189 listed firms on the Nigeria Exchange Group were study. Secondary data were obtained from the annual financial statement of the sampled firms. Using Poisson regression analysis technique, the outcome of their study revealed that firm characteristics are significant determinants of financial reporting timeliness. The study also found that firm size and profitability has negative significant effect on financial reporting timeliness of listed sampled firm in Nigeria. The study was restricted to firm size and profitability. Therefore, there is need to conduct similar study to capture other firm characteristics such as board Size, Board independence, firm operational complexity firms outside Nigeria.

Machmuddah et al. (2020) looked at the impact of firm size, profitability, solvency, and the size of the public accounting firm on the audit report timeliness of listed mining firms on the Indonesian Stock Exchange (IDX) between 2015 and 2018. 96 mining companies were selected through the use of purposive sampling approaches, and multiple regression analysis was employed to evaluate secondary data for the study. The study's findings showed that public accounting firms' solvability and size have an impact on the audit reporting timeliness. They captured some selected mining firms in Indonesian Stock Exchange which grossly ignored other sectors and as such it may affect its generalization.

Ohiokha and Idialu (2017) looked into the factors that contribute to audit report timeliness in Nigeria and Malaysia, two developing nations. All of the companies listed on the Nigerian Exchange Group (189) and the 800 listed companies on Bursa Malaysian as of December 31, 2014, make up the research population. Using the convenience sampling method, 66 companies were chosen as the sample size for the study. The results showed that, in both the Nigerian and Malaysian situations, there was a negative and statistically significant correlation between company size, profitability, and audit delay. In the Nigerian situation, there is a significant and positive correlation between audit firm type and audit delay, whereas in the Malaysian case, there is a significant and negative correlation. Firm complexity and audit report timeliness have a negative and statistically insignificant connection.

According to other findings, the association between operational complexity and audit report timeliness is insignificant. The findings of this study though a comparative analysis of companies in Nigeria and Malaysia. The study was in 2017. Timeliness could vary with time based on regulation hence this current study.

Non-Executive Directors and Financial Reporting Timeliness

Eguavoen et al. (2022) examined board characteristics as well as financial reporting timeliness of firms in Nigeria. The study aimed to ascertain the relationship between various board characteristics, such as board independence and board size, and financial reporting timeliness. To this end, twenty-eight (28) firms in the distress likelihood zone from 2012 to 2021 that is, non-financial firms listed on Nigerian Exchange Group (NXG) PLC as of December 31, 2021 were carefully chosen and investigated. Panel least squares (PLS) regression was used in the study. The regression

analysis revealed a positive as well as a relationship that is significant between board independence and financial reporting timeliness while board size was found to be insignificant and negatively related with financial reporting timeliness of firms in Nigeria. Since the data was panel in nature it was appropriate to carry out panel data diagnostic tests such as stationarity, Breusch Pagan tests and test whether the data satisfied regression assumptions prior to regression analysis; such as linearity and serial autocorrelation.

Eze and Nkak (2020) investigated corporate governance and timeliness of audited reports of quoted companies in Nigeria. The population consisted of all quoted companies listed on the Nigerian Stock Exchange, and secondary data was gathered from published financial statements on the compliance issued by the Nigerian Stock Exchange as of March 31, 2018. The multiple regression model was used to examine the hypotheses that were developed for this investigation. The study revealed that board composition has a significant effect on the timeliness of the audited reports. The result indicates that late filers companies are likely to have boards with significantly lower numbers of independent and financial expertise. The study finds that board independence (non-executive director) has a significant positive effect on the timeliness of audited reports of companies.

Al Daoud, et al, (2017) investigated the link between non-executive director and the punctuality of annual financial reporting among Jordanian businesses. The authors observed that independent directors do not gain from delayed or selective disclosures, which will improve the timeliness of financial reporting, and that a board independent might provide a more effective and efficient audit, hence reducing the audit report lag. A board's independence is also linked to the caliber of its auditors, since boards with a higher proportion of independent directors tend to hire more qualified auditors than boards with a lower percentage of independent directors. In contrast, the presence of independent directors causes the financial statements to be scrutinized closely, which results in a lengthier financial report lag. The research covered 114 Amman Stock Exchange companies that were listed for the calendar year 2012. The outcome showed that there is no significant or positive correlation between board independence and timely financial reporting. Additionally, the firms' average completion time for the audit of financial reporting is above two months.

Leverage and Financial Reporting Timeliness

Ebaid (2022) examined the relationship between timely financial reporting and corporate characteristics of nonfinancial companies listed on the Saudi market between 2015 and 2018. Using 67 non-financial companies from the Saudi Arabian Stock Exchange as a sample. The study's data were analyzed using multivariate regression analysis. The results showed a significant correlation between three company characteristics financial leverage, firm size, profitability and timely financial reporting. The findings of the foreign studies are very essential although, divergence in economic and political conditions among the nations may hardly make their findings applicable in Nigeria.

Savitri et al. (2019) found negative but not statistically significant relationship between leverage and financial reporting timeliness. They selected a sample of 78 businesses from the trade, services, and investment companies listed on the Indonesia Stock Exchange between 2014 and 2016 using the purposive sampling technique. Their objective was to investigate the relationship between the timely submission of financial

MODERATING EFFECT OF AUDITOR REPUTATION ON FIRM CHARACTERISTICS AND FINANCIAL REPORTING TIMELINESS OF LISTED DEPOSIT MONEY BANKS IN NIGERIA

reports and the following factors: financial risk, outsider ownership, firm size, profitability, leverage, and public accounting firm reputation. Descriptive statistics and logistic multiple regressions were used to analyze the data. They came to the conclusion that since businesses do not believe leverage will have an impact on their reputation, leverage has no bearing on the promptness of financial reporting.

Zcan (2019) looked into the elements that affect Turkish financial statements' timeliness. 90 manufacturing firms that were listed on the Borsa Istanbul between 2014 and 2017 were evaluated. To examine the impact of firm-specific factors on the timeliness of financial statements, Poisson regression was utilized. The study found that the size of the audit firm, board independence, profitability, and leverage all had a significant effect on the timeliness of financial statements. Because the data were panel data, it was appropriate to run panel data diagnostic tests including stationarity, Breusch Pagan tests, and tests to see if the data met the prerequisites for regression analysis, such as linearity and serial autocorrelation, before performing the regression analysis.

Auditor Reputation and Financial Reporting Timeliness

Bamidele and Edogbanya (2022) evaluated the effect of Board Characteristics on Financial Reporting Timeliness of Consumer Goods Companies in Nigeria with Audit Firm Type as a moderating variable. The sample size is the Twenty (20) quoted Consumer Goods Companies in Nigeria and the secondary panel data were extracted from their annual Financial Reports from 2010-2020. A two-model approach was adopted and five (5) tests were conducted. The hypotheses were tested using fixed effect estimation after being specified by Hausman Test. The results of analysis of Model I reveal that Board Gender Diversity and Board Size have significant negative effect on Financial Reporting Lag, while Board Financial Expertise has an insignificant negative effect and Board Independence has significant positive effect on Financial Reporting Lag. Model II reveals that Audit Firm Type plays a significant moderating role on the effects of Board Size, Board Independence and Board Financial Expertise on Financial Reporting Timeliness while, Audit Firm Type plays an insignificant moderating role of the effect of Board Gender Diversity on Financial Reporting Timeliness of the Consumer Companies in Nigeria.

Ishaku et al. (2021) examined the moderating effect of audit quality on the relationship between board characteristics and audit report lag of listed non-financial companies in Nigeria. The ex-post facto research design was adopted, secondary data was extracted from annual reports and accounts of thirty-one listed non-financial companies for six years (2013-2018). Data were analyzed using system dynamic panel-data estimation technique; the findings revealed a negative and significant effect of board size on audit report lag, board independence has a positive but non-significant effect on audit report lag, however, board meeting has a positive and significant effect on audit report lag. Besides, audit quality has a negative and significant moderating effect on the relationship between board characteristics and audit report lag of listed non-financial companies in Nigeria. The study concludes that audit quality moderates the relationship between board characteristics and audit report lag of listed non-financial companies in Nigeria. Given the panel nature of the data, it was appropriate to do panel data diagnostic tests, such as stationarity and Breusch-Pagan tests, as well as tests to see whether the data met the prerequisites for regression analysis, such as linearity and serial autocorrelation, before performing the analysis.

Theoretical Framework

Theory of Inspired Confidence

The demand for audit services as well as its supply are addressed by Limperg (1932) idea of inspired confidence (also known as the theory of rational expectations). The involvement of third parties (interested parties of a corporation) in the company has a direct impact on the demand for audit services. In exchange for their financial commitment to the business, these parties demand accountability from the management. These stakeholders expect management to be accountable in exchange for their support of the business. An auditor is essential to cross-check such information since management-provided information may be prejudiced and there may be a conflict between management's interests and those of stakeholders (Hayes et al., 2005). The distribution of regular financial reports facilitates accountability. Nevertheless, an audit is necessary to ensure the accuracy of this information because the management's reporting may be skewed and because third parties lack direct oversight.

According to Limperg (1932), the auditor should constantly aim to satisfy the public's expectations when it comes to the provision of audit assurance. In addition, the auditors' theory of inspired confidence provides a connection between users' demands for trustworthy and dependable financial reporting and the audit processes' ability to provide those demands. It takes into account how the public's (stakeholders') needs and the auditing procedures have changed over time. According to the theory of inspired confidence, which was developed by the Limperg Institute in the Netherlands in 1985, the auditor's broad function in society as a confidential agent derives from the need for expert and independent examination as well as the need for an expert and independent judgment supported by the examinations. The public continues to anticipate a low percentage of audit failures; thus, accountants and auditors are required to be aware of this. This necessitates that the auditors design and carry out their audit in a way that will reduce the possibility of material misstatements going undetected.

According to the Limperg Institute (1985), the accountant has a responsibility to carry out his duties in a way that doesn't undermine the trust he enjoys from his clients. When society's faith in the efficiency of the audit process and the audit report is misplaced, Carmichael (2004), who studied the social significance of the audit, claimed, the audit's value relevance is destroyed. A decent level of quality assurance is therefore expected of auditors, especially in light of the fact that an audit failure is essentially a career-ending circumstance. Financial reporting, corporate governance, and rules encourage confidence in the capital markets together with assurance provided by audit to business owners, management, investors, and stakeholders.

3. Methodology

The ex-post facto research design was adopted, secondary data were extracted from the annual reports and audited accounts of listed deposit money banks in Nigeria for a period of ten years 2014 - 2023. The population of this study consist of fourteen (14) deposit money banks listed on Nigerian Exchange Group as at 2023. In view of this, the fourteen (14) deposit money banks were selected to represents the sample size for the study using purposive sampling technique and based on the criterion that the deposit money banks must be listed and disclosed all the data needed for the study in their annual reports.

In order to address endogeneity problem data were analyzed using Poisson regression model. The choice of Poisson regression is based on the fact that the dependent variable in the study is a count data (number of days). The Poisson regression model is based on the assumption that the dependent variable follows a Po

**MODERATING EFFECT OF AUDITOR REPUTATION ON FIRM
CHARACTERISTICS AND FINANCIAL REPORTING
TIMELINESS OF LISTED DEPOSIT
MONEY BANKS IN NIGERIA**

isson distribution which is usually obtained from a count data. In this study, the dependent variable is financial reporting timeliness (FRT) and it represents the number of days between the end of accounting period and the day on which the sample firm publicly discloses its financial statements at the Annual General Meeting. FRT is said to have a Poisson distribution that takes integer values of $FRT = 0, 1, 2, 3, \dots$

Model specification

The model of the study consistent with (Gujarati & Porter, 2009) is stated below: The general model is the Poisson distribution function can be expressed in the form

$$f(FRT) = \mu \frac{e^{-\mu} \mu^{FRT}}{FRT!}, \text{ where } FRT = 0, 1, 2, \dots, N \text{ (Gujarati \& Porter, 2009).}$$

$$FRT_{it} = \beta_0 + \beta_1 FSIZE_{it} + \beta_2 \beta_4 NED_{it} + \beta_3 LEV_{it} + \mu_{it}$$

$$FRT_{it} = \beta_0 + \beta_1 FSIZE_{it} * AURP + \beta_2 \beta_4 NED_{it} * AURP + \beta_3 LEV_{it} * AURP + \mu_{it}$$

Where: FRT is financial reporting Timeliness of firm i at time t; β_0 is Constant term (intercept);

$\beta_1 - \beta_3$ is Coefficients for the independent variables; FSIZE is Firm Size; NED is Non-Executive Director; LEV is Leverage; AURP is Auditor Reputation; $AURP * FSIZE$ is Audit Reputation moderated Firm Size; $AURP * NED$ is Audit Reputation - moderated Non-Executive Director; $AURP * LEV$ is Audit Reputation moderated Leverage; μ_{it} is Error Term.

Table 1

Variables of the Study and their Measurements

Variables		Type	Measurement
Financial Reporting Timeliness (FRT)		Dependent variable	FRT = The number of days from the financial year end to the date of Annual General Meeting and date of publication of annual report. (Asiriwa et al, 2021)
Firm Size (FSIZE)		Independent	Natural log of sample company Total Assets. . Ebaid (2022)
Non-Executive Director (NED)	Director	Independent	Proportion of non – executive directors to the number of board members
Leverage (LEV)		Independent	Total debt/Equity. Ebaid (2022)
Auditors Reputation (AURP)		Moderator	Auditor’s reputation is operationalized with audit firm type. 1 if audited by Big4 and 0 for non-big4. (Bamidele & Edogbanya, 2022)

Source: Researcher 2025

4. Results and Discussion

Descriptive Statistics

Table 2 revealed the summary of the statistics which describe the variables used in this study.

Table 2

Descriptive Result

	FRT	FSIZE	NED	LEV	AURP
Mean	95.22143	7.479773	0.572086	5.253679	0.857143
Median	85.50000	7.241750	0.577350	5.700650	1.000000
Maximum	187.0000	9.915100	0.900000	11.45920	1.000000
Minimum	31.00000	6.016300	0.210000	0.141400	0.000000
Std. Dev.	34.03132	1.077548	0.122576	3.335711	0.351184
Skewness	0.962728	0.573243	-0.282372	-0.121001	-2.041241
Kurtosis	3.323200	2.319448	3.846561	1.913723	5.166667
Jarque-Bera	22.23572	10.36922	6.041007	7.224953	124.6065
Probability	0.000015	0.005602	0.048777	0.026985	0.000000
Sum	13331.00	1047.168	80.09200	735.5150	120.0000
Sum Sq. Dev.	160980.1	161.3942	2.088468	1546.649	17.14286
Observations	140	140	140	140	140

Source: EViews 10 Output 2025

Table 2 above shows the descriptive statistics of the variables in the study. The result of descriptive statistics shows that it takes deposit money banks approximately 95 days on average to disclose their financial statements to the public. The standard deviation for reporting timeliness is 34 days, implying large variability in timely reporting by deposit money banks. The minimum number of days it took some banks to report financial statements timely is 34 days and maximum delay is 187 days. The maximum period it takes deposit money banks to disclose their financial statements is 187 days which is very high. This implies that it takes some deposit money banks almost a year after the deadline to file their financial reports.

Firm size (FSIZE) has maximum and minimum values of (9.915100) and (6.016300) respectively with a mean value of 7.479773. The standard deviation of 1.077548 shows significant deviation from the mean. Non-executive Director (NED) has maximum and minimum values of 0.900000 and 0.210000 respectively with a standard deviation of 0.122576 which suggests a considerable variation or dispersion from the mean value of 0.572086. Leverage (LEV) variable has a mean value of 5.253679 and a maximum value of 11.45920 and a minimum value of 0.141400. The standard deviation of 3.335711 shows a significant dispersion from the mean. The other variables LEV and COYSIZE exhibited considerable cluster around the mean. Auditor reputation (AURP) has a mean value of 0.857143 with standard deviation of 0.351184 and the minimum value of 0.000000 and maximum value of 1.000000. It means on average the standard deviation of 0.351184 indicates little dispersion from mean. The Jarque-Bera probabilities in the respective cases indicate that the data are normal. This is evident in the probabilities of less than 0.05.

**MODERATING EFFECT OF AUDITOR REPUTATION ON FIRM
CHARACTERISTICS AND FINANCIAL REPORTING
TIMELINESS OF LISTED DEPOSIT
MONEY BANKS IN NIGERIA**

Correlation Analysis

Correlation coefficient matrix is provided to investigate the strength of the relationship among research variables. These relationship among the variables of the study is presented in Table 3.

Table 3

Correlation Matrix

	FRT	FSIZE	NED	LEV	AURP
FRT	1.000000				
FSIZE	-0.052128	1.000000			
NED	0.188400	0.074461	1.000000		
LEV	-0.466343	0.317830	-0.161139	1.000000	
AURP	0.138108	0.313007	0.029985	0.112845	1.000000

Source: EViews 10 Output 2025

The correlation result in table 3 above indicates that firm Size (FSIZE) and leverage (LEV) are negatively correlated to financial reporting timeliness (FRT) of listed deposit money banks in Nigeria. While non-executive director (NED) and auditor reputation (AURP) are positively correlated to financial reporting timeliness (FRT) of listed deposit money banks in Nigeria. This implies that NED and AURP move in the same direction with financial reporting timeliness. While FSIZE and LEV move in inverse direction, with financial reporting timeliness (FRT).

Regression Results

The results of the Poisson regression model are presented below

Table 4

Poisson Regression Results

FRT	Coefficient	Std. Error	z-Statistic	Prob.	Remark
C	12.88381	1.348175	9.556485	0.0000	
FSIZE	-1.143137	0.186193	-6.139514	0.0000	Significant
NED	-0.010680	0.381479	-0.027995	0.9777	Insignificant
LEV	-0.201153	0.026340	-7.636724	0.0000	Significant
FSIZE*AURP	1.157277	0.186437	6.207343	0.0000	Significant
NED*AURP	0.324392	0.389007	0.833897	0.4043	Insignificant
LEV*AURP	0.150852	0.026500	5.692443	0.0000	Significant
AURP	-8.338657	1.350581	-6.174123	0.0000	
R-squared	0.309023				
LR statistic	487.9148				
Prob (LR statistic)	0.000000			0.000000	

Source: EViews 10 Output 2025

The LR-statistic assesses the overall significance of the regression model, taking all variables into account. As a result of assessing the model's overall fit and significance, it can be shown that the model has a better fit because the probability LR-statistic value of 0.000000 is less than 0.05. The R-square of 0.309023 implies that the variables studied account for 30% of the variation in financial reporting timeliness, whereas other variables not included in the model account for just 70 percent.

The regression result from table 4 shows that the firm size (FSIZE) has negative and significant effect on the financial reporting timeliness of deposit money banks in Nigeria, from the coefficient of -1.143137 and z-statistics of -6.139514 and the probability value of 0.0000 which is less than 0.05 percent (the level of significant). Similarly, Table 4 reveals that non-executive director (NED) have negative and insignificant effect on financial reporting timeliness of listed deposit money banks in Nigeria, from the coefficient of -0.010680 and z-statistics of -0.027995 and probability value of 0.9777 which is less than 0.05 percent (the level of significant). Furthermore, the regression result from the table above, shows that leverage has negative and significant effect on the financial reporting timeliness of deposit money banks from the coefficient of -0.201153 and z-statistics of -7.636724 and the probability value of 0.0000 which is less than 0.05 percent (the level of significant).

Discussion of Findings

This section discusses the findings based on the outcome of the regression estimates

Firm Size Moderated by Auditor Reputation and Financial Reporting Timeliness

The result of the Poisson regression shows that the moderating effect of auditor reputation has a positive and significant effect on the relationship between firm size and financial reporting timeliness of listed deposit money banks in Nigeria. This is evidenced by the p-value of 0.0000 and coefficient of 1.157277 which evidences that the interaction of auditor reputation has strong statistical influence on the relationship between firm size and financial reporting timeliness in the area covered by the study. The finding is consistent with finding of Ebaid (2022) who found positive relationship between firm size and financial reporting timeliness. The study disagreement with the study by Ohiokha and Idialu (2017) who found negative correlation between firm size and financial reporting timeliness.

Non-Executive Director Moderated by Auditor Reputation and Financial Reporting Timeliness

The result of the Poisson regression shows that the moderating effect of auditor reputation has a positive and insignificant effect on the relationship between non-executive director and financial reporting timeliness of listed deposit money banks in Nigeria. This is evidenced by the p-value of 0.4043 and coefficient of 0.324392 which evidences that the interaction of auditor reputation has strong statistical influence on the relationship between financial reporting timeliness in the area covered by the study. This finding indicates that holding other variables unchanged, a unit increase in the number of members of the board of directors of deposit money banks moderated by auditor reputation brings about decrease in their Financial Reporting timeliness.

The finding corroborates those of Uwuigbe et al. (2018); Al-Daoug et al. (2014) who noted that non-executive director has an insignificant effect on Financial Reporting Timeliness. The finding, however, disagrees with those of Asiriwa et al. (2021); Eze and Nkak (2020); and Al-Daoud et al. (2015) who established that non-executive director has a significant effect on Financial Reporting Timeliness. This finding did not support Agency theory which advocates the inclusion of independent non-executive directors who have no pecuniary interest in the companies for them to make their objective and unbiased contributions to board decisions in the interest the owners. In this study, increasing the number of independent non-executive directors on board will result in a longer delay in publishing financial reports largely due to postponement of board meetings as a result of lack of quorum formation.

MODERATING EFFECT OF AUDITOR REPUTATION ON FIRM CHARACTERISTICS AND FINANCIAL REPORTING TIMELINESS OF LISTED DEPOSIT MONEY BANKS IN NIGERIA

This may be as a result of lack of commitment by these directors resulting from other engagements they may consider as more important.

Leverage Moderated by Auditor Reputation and Financial Reporting Timeliness

The result of the Poisson regression shows that the moderating effect of auditor reputation has a positive and significant effect on the relationship between leverage and financial reporting timeliness of listed deposit money banks in Nigeria. This is evidenced by the p-value of 0.0000 and coefficient of -0.150852 which evidences that the interaction of auditor reputation has strong statistical influence on the association between financial reporting timeliness in the area covered by the study.

This finding implies that holding other variables constant, a unit increase in the number of independent Non-Executive Directors on boards of financial service firms brings about a units increase in their Financial Reporting timeliness. The results of this study are consistent with the results of Adebayo's research (2016) and the contradiction of the results of the research of Savitri, et al (2019). The finding is in disagreement with the findings of Ebaid (2022) and Asiriuwa et al. (2021) who found negative and significant relationship between financial leverage and financial reporting timeliness.

The Poisson regression reveals that auditor reputation plays a significant (0.0000) negative moderating role on the effect of firm size, non-executive director and leverage on Financial Reporting Timeliness of deposit money banks in Nigeria with a coefficient of (-8.338657). This implies that auditor reputation is strong and reliable moderator on the effects of firm size, non-executive director and leverage on Financial Reporting Timeliness of deposit money banks in Nigeria.

5. Conclusion and Recommendations

The investigation of moderating effect of auditor reputation on firm characteristics and financial reporting timeliness of listed deposit money banks in Nigeria enables regulatory agencies and standard setting bodies to set up new regulations and policies that enhance the timely financial reporting. Nigerian firms that are slow in disclosing financial statements may face adverse consequences with respect to reputation, credit rating and ability to raise equity. In particular, the study concludes that the firm size moderated by auditor reputation has positive and significant effect on the financial reporting timeliness of listed deposit money banks in Nigeria during the period of the study.

The study infers that non-executive director moderated by auditor reputation has positive and insignificant effect on the financial reporting timeliness of listed deposit money banks in Nigeria during the period of the study. The study also concludes that leverage moderated by auditor reputation has positive and significant effect on the financial reporting timeliness of listed deposit money banks in Nigeria during the period of the study. The study concludes that auditor reputation moderates the relationship between firm characteristics and financial reporting timeliness of listed deposit money banks in Nigeria and recommended strict adherence to regulatory guidelines to avoid regulatory fines. The study recommended that deposit money banks in Nigeria should engage the services of the Big4 auditor as this would reduce the length of report lag.

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**MODERATING EFFECT OF AUDITOR REPUTATION ON FIRM
CHARACTERISTICS AND FINANCIAL REPORTING
TIMELINESS OF LISTED DEPOSIT
MONEY BANKS IN NIGERIA**

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Appendix

N/S	Listed Deposit Money Banks for the Study
1	Access Bank Plc
2	Ecobank plc.
3	FBN Holdings Plc.
4	FCMB Group Plc.
5	Fidelity Bank Plc.
6	Guaranty Trust Bank Plc.
7	Jaiz Bank Plc
8	Stanbic Ibtc Holdings Plc
9	Sterling Bank Plc.
10	Union Bank Plc
11	United Bank for Africa Plc.
12	Unity Bank Plc.
13	Wema Bank Plc.
14	Zenith Bank Plc.