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RESEARCH ARTICLE

EFFECT OF FIRM CHARACTERISTICS ON FINANCIAL REPORTING TIMELINESS OF BANKING SECTOR IN NIGERIA

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Abstract

This study examined the effect of firm characteristics on financial reporting timeliness of banking firms in Nigeria with the following specific objectives; to determine the influence of firm age on financial reporting timeliness of firms in Nigeria; examine the effect of firm size on financial reporting timeliness of banking firms in Nigeria; ascertain the effect of leverage on financial reporting timeliness of banking firms in Nigeria and evaluate the effect of return on assets on financial reporting timeliness of banking firms in Nigeria. The data spanning a period ten years were gathered from banking firms in Nigeria. The study adopted ex- post facto research design. The methods of data analysis are multiple regression analysis while the T- test statistic was used for the test of hypothesis. The findings revealed that firm characteristics has no significant effect on timeliness of financial reporting by deposit money banks in Nigeria. Test of hypothesis one indicates that P – value = 0.316 > 0.05, hence we did not reject Ho1 but rather concluded that firm age has no significant effect on timeliness of financial reporting of banks in Nigeria. Firm age has no significant effect on timeliness of financial reporting of banks in Nigeria. Test of hypothesis two indicates that p- value = 0.286 > 0.05, hence we accepted Ho2 and concluded that firm size has no significant effect on timeliness of financial reporting of banks in Nigeria. Test of hypothesis three indicates that p-value = 0.628 > 0.05, hence we accepted Ho3 and concluded that leverage has no significant effect on financial reporting timeliness of banking firms in Nigeria and Test of hypothesis four indicates that P -value = 0.040 < 0.05, so we did not accept Ho4 but concluded that ROA has significant effect on the timeliness of reporting by banks in Nigeria. The findings have been able to prove that firm characteristics variables (except Return on Assets) has no significant effect on timeliness of reports of banks in Nigeria. The study therefore recommends that Banks should be able to promote healthy and timely financial report void of ego on age of the organization. The earlier the better for the management and it will make the organization to be more responsible. Management should de- emphasize financial reporting based on the size of banks because it does not add up to anything. It should rather be a factor of financial reporting based on effective and efficient operations. Leverage of most of the sampled banks is very high and indicates that they are relying on debt to finance their operations. Management should do well to improve on their leverage position as a way raising the financial integrity of the banks. The return on assets of banks position can be raised by improving the net income of banks future operating activities. This will lead to timeliness of reports as well as bring higher dividend and similar reports to shareholders.

Keywords	*Firm Characteristics; Financial Reporting Timeliness; Banking Sector in Nigeria; Firm Size*
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Introduction

The general purpose of modern accounting is to provide information for knowledgeable financial decisions. This information is usually in the form of annual financial statements such as the statement of financial position; the income statement or statement of comprehensive income; statement of cash flows and statement of changes in equity as well as notes to the accounts (IASB, 2008 & 2010). Therefore, financial reports should be published as soon as possible after the end of the accounting period (Wild et al, 2001). The effectiveness of financial reports is shattered if they are not made accessible to users within a reasonable period after the reporting date. A company should be in position to issue financial reporting timely (Haskins Ferris, Sack & Allen, 2005). Timely release and presentation of information improves the image of corporate bodies because they reflect managerial efficiency and effectiveness (Joshi, 2005).

Emeh and Appah (2013) affirm that a financial report is said to be timely if the information is presented to the users as ready to use before the information loses its meaning and while it still has the capacity to be used in taking a decision. Therefore, timeliness of financial reports is understood that financial statements must be published to users when they need them to make decisions, because information loses its usefulness if it is not available when needed (Akle, 2011). It is the preparation of financial reports is influenced by two groups, including external factors (such as legal regulations, competitors) and internal factors (such as the characteristics of the company), and consists of three categories: the timeliness of audit activities, the timeliness of the publication of the report and overall timeliness (Karim, 2006). Meanwhile, Aktas and Kargin (2011) defined timeliness as the number of days between the end of the accounting year and the day that listed companies must publish financial reports in accordance with law. In this article, timeliness is interpreted as the timeliness of the activities of independent audit financial reports, as measured by the number of days from the date of the balance sheet in accordance with the law to the date of publication of the audited financial reports.

Noegrahini (2020) defined timeliness as a means presenting the financial accounting information for its users when they need it. This is because the information losses its benefit, if it is not available when it is needed. The timely delivery of the financial reports is very important. The faster it is delivered, the more the information contained therein is useful, and users of the financial reports can make better decisions, both in terms of quality and timeliness. Late information may result in misallocation of resources (capital) where outside shareholders and creditors face serious adverse selection and moral hazard problems (Leventis & Wetman, 2004).

Ibadin and Afensimi (2015) noted that financial reports timeliness normally refers to the length of time from a company’s financial year-end to the date of the auditor’s report and thus it is measured as the number of days between a firm’s fiscal year-end and the report date.

Ahmed and Karim (2005) claimed that the timeliness of the preparation of the financial reports as a function of the variables related to the auditor and the units having financial reports audited, including: (i) the time needed to complete audited financial reports, (ii) the decision of the board of directors of the publication of the financial reports, (iii) legal requirements for minimum number of days between the date to hold the annual shareholders' and the date of notification of the time annual congress and (iv) other factors supporting as the availability of time or venue for the annual convention.

Lukasonand Camacho-Minano (2020) opined that financial reporting timeliness is the ability of managers to meet the submission deadlines of financial report set by law. Financial reports are supposed to provide important information to the external parties of an organization. It is so imperative that financial reports provide truthful and accurate financial information to enable shareholders and other interested parties to make decision wisely. Timeliness in financial reporting is one of the requirements to be enforced and complied with by firms in Nigeria (Iyoha, 2012). Timeliness is the ability of managers to meet the submission deadlines of financial report set by law. The quality of financial reporting has remained an issue of major concern among professional accountants, regulators and other users of financial information. This is due to the fact that financial reporting has been a principal means of communicating the results of transactions and events which transpired within the organization to the outsiders; who may use such information in assess the economic performance and condition of business as well as guide in making economic decisions. Financial reporting timeliness is the ability of a company to make public its financial statement after the end of accounting year within the specified period in Nigeria. This study is justified by the fact that timeliness of reporting is desirable and it is what makes financial information to be relevant to stack holders and planners, ensures a bridge in information gap and gives integrity to financial statements for public use.

Statement of the Problem

In order to hit timely financial reporting, there are some indicators that become prompt for the firms to release the reports on time (i.e., firm characteristics). Firm characteristics are factors that are mostly under the direct control of management.

Today, in Nigeria the necessity for high quality and timely financial information has become primarily vital due to the increasing disclosure of Nigerian business organizations to international capital markets. Hence, the business organizations are indebted to satisfy the information demands of foreign investors and to provide them with more timely information in annual reports.

Knowing the importance of timely release of financial information, regulatory agencies and laws in Nigeria has set statutory maximum time limits within which listed companies are required to issue audited financial statements to shareholders and also file such reports with relevant regulatory bodies. Nigerian business environment has experienced various issues with respects to financial reporting reliability and value which has bring about into accounting disgraces and business failures, for example the case of Oceanic bank, Intercontinental bank and African Petroleum. These failures are mostly accredited to poor disclosure and transparency about financial reporting process of firms and manipulative accounting (Bhasin, 2016; Adeyemi & Asaolu, 2013).

Objectives of the Study

The main objective of this study is to determine the effect of firm characteristics on financial reporting timeliness of banking firms in Nigeria. The specific objectives were to:

1. Determine the influence of firm age on financial reporting timeliness of banking firms in Nigeria.
2. Examine the effect of firm size on financial reporting timeliness of banking firms in Nigeria.
3. Ascertain the effect of leverage on financial reporting timeliness of banking firms in Nigeria.
4. Evaluate the effect of return on assets on financial reporting timeliness of banking firms in Nigeria.

Research Questions

The following research questions guided this study:

1. What is the effect of firm age on financial reporting timeliness of banking firms in Nigeria?
2. How does a firm size affect the financial reporting timeliness of banking firms in Nigeria?
3. To what extent can leverage affect the financial reporting timeliness of banking firms in Nigeria?
4. How does return on assets affect the financial reporting timeliness of banking firms in Nigeria?

Statement of Hypotheses

This study adopted the following tests of significance:

H_{01}: Firm age does not have significant effect on financial reporting timeliness of banking sector in Nigeria.

H_{02}: Firm size has no significant effect on financial reporting timeliness of banking sector in Nigeria.

H_{03}: Leverage has no significant effect on financial reporting timeliness of banking sector in Nigeria.

H_{04}: Return on assets does not have significant effect on financial reporting timeliness of banking sector in Nigeria.

Significance of the Study

This study is significant to the following:

Investors and the Business Community

This work will be of benefit to investors, the business community and the management of different companies or firms. They would be able to use it for planning and decision-making and to grow their business.

Shareholders

It will also be useful to shareholders as they would be informed concerning the relevance of financial reporting timeliness to business and how it can contribute to adding value to their wealth.

Research Students

This work will be beneficial to students who are researchers alike. These categories mentioned will find this work as a source of literature for researching on related topics. Students in particular will benefit greatly from it because it will help them to know the nature or firm characteristics and financial reporting timeliness of banking sector in Nigeria.

Conceptual Review
Firm Characteristics

Firm characteristics are diverse and distinct from each other. They are spread from performance characteristics to asset, equity, liquidity, to general characteristics. The definition of firm characteristics by Shehu (2012) says that firm characteristics refer to the attributes which a particular firm possesses that defines its activities. Firm characteristics are those variables that relatively affect the firm's decision both internally and externally.

Firm Age

The age of the firm is an important variable in determining its financial performance. When the firm becomes older, it enjoys economies of scale. This means that the firm can produce products at lower costs and this will cause an increase in revenue and profits. When a firm gets older, it can also enjoy a superior level of performance compared to newly established companies. However, if the older firms do not change their systems to cope with the new environmental conditions, innovation and advancement, their current financial performance would be worse (Chinaemerem & Anthony, 2012).

Firm Size

Several arguments favour larger firm size in attaining higher performance. Large firms are more likely to exploit economies of scale and enjoy higher negotiation power over their clients and suppliers (Serrasqueiro & Nunes, 2008). Megayanti and Budiartha (2016) explain that company size negatively affects audit report lag adding that companies that have gone public or large companies have good internal control systems, which can reduce the number of errors in financial reports, thereby, making it easier for the auditor to audit the financial reports.

Arowoshegbe, Uniamikogbo and Adeusi (2017) also confirmed that company size significantly affects audit report lag, concluding that the bigger the company size, the shorter the delays in the auditing process. Khasharmeh and Aljifri (2010) pointed out that, larger companies may have stronger internal controls, which in turn should reduce the propensity for financial statement errors to occur and enable auditors to perform more interim work. They added that larger companies may be able to exert greater pressures on the auditor to start and complete the audit in a timely manner. Owusu-Ansah (2000) argues that large firms have accounting staff and sophisticated accounting information systems that result in more timely annual reports.

Leverage

Financial leverage can be described as the extent to which a business or investor is using borrowed money. Financial leverage is a measure of how much a firm uses equity and debt to finance its assets. As debt increases, financial leverage also increases. It has been seen in different studies that financial leverage has relationship with financial performance (Syed, 2013).

The definition by Hayes (2022) is that Leverage is an investment strategy of using borrowed money—specifically, the use of various financial instruments or borrowed capital—to increase the potential return of an investment. Leverage can also refer to the amount of debt a firm uses to finance assets.

Return on Assets

Hargrave (2022) asserts that the term return on assets (ROA) refers to a financial ratio that indicates how profitable a company is in relation to its total assets. The author says that corporate managers, analysts, and investors can use ROA to determine how efficiently a company uses its assets to generate a profit. It is the metric that is commonly expressed as a percentage by using a company's net income and its average assets. The higher an ROA is the more efficient and productive it is at managing its balance sheet to generate profits while a lower ROA indicates that there is room for improvement. It emphasizes the fact the ROA figure gives investors an idea of how effective the company is in converting the money it invests into net income. The higher the ROA number, the better, because the company is able to earn more money with a smaller investment. Put simply, a higher ROA means more asset efficiency.

On the other hand, the Corporate Finance Institute (CFI, 2022) also defines Return on Assets (ROA) as a type of return on investment (ROI) metric that measures the profitability of a business in relation to its total assets. This ratio indicates how well a company is performing by comparing the profit (net income) it is generating to the capital it has invested in assets. The author is of the view that the higher the return, the more productive and efficient management is in utilizing economic resources.

Financial Reporting Timeliness

Many scholars have contributed to the meaning of financial reporting timeliness. Ibadin and Afensimi (2015) asserts that the concept of financial reporting timeliness refers to the length of time from a company's financial year-end to the date of the auditor's report and thus it is measured as the number of days between a firm's fiscal year-end and the date the report was made available. To that extent timeliness of financial report means the ability of a company to make publish its financial statement after the end of accounting year (that is within the period under reference).

On the other hand, Arowoshegbe et al (2017) defined timeliness as the capacity of the decision makers to access information before losing its relevance and ability to effects judgments. If a company fails to make public its reports within the period allowed under the law, it is referred to as audit delay or audit report lag which considers the number of days after the end of accounting to the day the report is published.

Audit delay can be explained as the duration of the completion of the audit, which is from the date of closing the book to the date the audit report is published (Utami, 2006). Al-Tahat (2015) states that timeliness can be measured based on the time between when data is expected and when it is readily available for use.

The International Accounting Standard Board (2008) also defines timeliness as making the financial information available to users on time so as to influence their decision. In another contribution, Ahmad and Kamarudin (2003) define audit report lag as the number of days between the date of the financial report and the date of the audit report.

The timeliness of financial reports varies across countries. In the energy sector of Russia, McGee (2007) observed that it takes between 81 to 181 days (average of 148.7 days) to release their financial reports. On the average, Chinese companies require an average of 92 days, with a minimum of 24 days and a maximum of 181 days (McGee and Yuan, 2008). Karim, Ahmed and

Islam (2006) noticed a longer delay time for listed Bangladesh companies, who require an average of 192 days. Iyoha (2012) observed that in Nigeria, companies in the banking sector require about 82 days, insurance sector (153 days), food/tobacco and beverage sector (144 days), petroleum sector (137 days), health sector (145 days), agriculture (96 days) and conglomerates (119 days). An agreement has not been reached with regards to the factors that may be responsible for the discrepancies in the delay of financial reports across the countries. However, some of the studies such as McGee and Yuan (2008) attributed the delay by Chinese companies to the extent of their corporate governance, while the study by Lai and Cheuk (2005) stressed that the audit partners' rotation and audit firms rotation are able to explain the delays in the release of the financial reports of Australian companies.

Theoretical Framework

This study was anchored on two theories as follows:

Contingency theory

The contingency theory of leadership was proposed by the Austrian psychologist **Fred Edward Fiedler** in his landmark 1964 article, "A Contingency Model of Leadership Effectiveness." The contingency theory emphasizes the importance of both the leader's personality and the situation in which that leader operates.

The contingency theory literatures indicate that factors such as technology and environment affect the design and functioning of organizations. Its central theme is that there is no unique best structure of all organization under all circumstances; instead each organizational structure is a response to a set of contingencies. The literature shows that important characteristics (contingencies) affecting organizational structure include size, environmental uncertainly, leverage, growth, production technology, corporate strategy and market environment.

Agency Theory

The agency theory was first stated by Jensen and Meckling in 1976. The agent's unperfected behavior caused the creation of the agency problem. There are two forms of the agency cost; they are two kinds of conflict, one conflict is between the stakeholders and the managers, and the other conflict is between the shareholders and the creditors. The first conflicts comes from that the manager are not the wholly owner of the company, if the managers wholly own all company, then the control and the ownership would be together instead of the separation, then the managers can have the all profit or pay the all cost. However, due to the fact that managers cannot own the whole company, the managers cannot fully own the whole profit which is created by their hard work. Furthermore, they must accept all the cost. As such agency theory is found to be more appropriate in explaining the predictive relationship between the firm characteristics and profitability. Therefore, it was adopted to guide this study regarding the relationship. The study involved the measurement of four independent variables and one dependent variable as well as assessment of the relationship between them.

McGee et al (2008) did a comparative study on the timeliness of financial reporting in The Peoples' Republic of China and Russia. The study adopted descriptive statistics and the finding was that timeliness has a significant effect on financial reporting in both countries.

Empirical Review

Effect of firm age on financial reporting timeliness of banking firms in Nigeria

Emeh and Appah (2013) examined the effect of audit committee on the timelines of financial reports for thirty-five firms quoted in the Nigerian Stock Exchange (NSE) for the period 2007-2011. The data for this study were collected from the annual reports and accounts. The data were analyzed using relevant diagnostic tests, pooled least square and granger causality test and the results suggest that audit committee independence (ACI) is significantly related to the timeliness of financial reports; Audit committee meeting (ACM) is not significantly related to timeliness of financial reports; Audit committee expertise (ACE) is significantly related to the timeliness of financial reports and Audit committee size (ACS) is not significantly related to the timeliness of financial reports.

Effect of firm size on financial reporting timeliness of banking firms in Nigeria

Warrad (2018) discussed the extent of association between corporate governance characteristics and the audit report lag ARLAG for the listed Jordanian Banks during the period from 2014 to 2016. The study used statistics measurements and tools to clarify the relations and hypotheses. The results found a significant relation between the corporate governance characteristics and audit report lag ARLAG jointly and separately with the board size BORSIZE, board diligence BORDEL, audit committee size ACSIZE and audit committee diligence ACDEL, and the relation was controlled by two variables: return on equity (ROE) and company size COMSIZE. It was recommended that other researches should be conducted on other sectors to reveal the impact on the timing of the auditors' reports.

Ibadin and Afensimi (2015) examined the determinants of audit report lag in the Nigerian context. The specific objectives were to determine the effect of the following factors on Audit fees, namely, Audit firm type, Leverage, Return on equity, Firm size, subsidiaries and Year-end. The panel research design was used for the study. The data were sourced from the annual reports of financial companies quoted on the floor of the Nigerian Stock Exchange. The method of data analysis utilized in the study is the panel data estimation techniques (pooled, fixed and random effects regression). In line with the study objectives, the findings reveal that company size has no significant positive impact on audit delay; Firm's financial performance has a significant impact on Audit delay; Leverage has no significant impact on Audit delay. The study recommended that in achieving the objective of making the financial statements readily available for timely decisions, the regulatory bodies should put in place measures to ensure strict compliance with 3 months window for financial reports preparation and presentation.

Mutiara et al (2018) examined the effect of each of company size, company profit, solvency and the size of public accountant on audit report lag for the infrastructure of utility and transportation sectors listed on the Indonesian Stock Exchange. The population of the study are infrastructure, utility and transportation companies that are listed on and supervised officially by the Indonesian Stock Exchange from 2013–2015. The technique used for choosing the sample was purposive sampling. The sample consisted of 57 companies chosen from the population. The data were analysed using double regression analysis. The findings show that company size has a negative and significant effect on audit report lag and that company profit has a negative and significant effect on audit report lag. The study recommended that further researches should be carried out on companies that work in the field other than infrastructure, utilities and transportation, mining or banking.

Effect of leverage on financial reporting timeliness of banking firms in Nigeria

Okougbo and Etobi (2014) explored the factors that can influence the timeliness of financial reporting in Nigeria using a sample of 33 financial institutions (2005–2008). The Generalized Least Square (GLS) regression method was used for the estimation and the results reveal that on the average, the sampled companies used 122 days after the year end for the release of their financial reports. The size, leverage and performance of the companies have a negative significant relationship with the timeliness of their financial reports while the age of the company has a positive significant impact. Corporate governance plays a complementary role with some of the explanatory variables to explain financial reporting timeliness in Nigeria.

Maleya and Willy (2013) examined the factors affecting the financial performance of listed companies at Nairobi Securities Exchange in Kenya. This was informed by trade off and the agency theories. The study adopted an explanatory research design and 29 listed firms which have consistently been operating at the Nairobi securities exchange during the period 2006-2012 were sampled. The analysis of the data collected from the financial statement followed a number of basic statistical techniques. Descriptive statistics, Pearson correlation and multiple-regression were used to analyze the data. Their findings showed that leverage had a significant negative effect on financial performance whereas, liquidity, company size and age have a significant positive effect on financial performance.

Effect of return on assets on financial reporting timeliness of banking firms in Nigeria.

Kwaitomai et al (2019) examined the impact of firm characteristics and financial performance of consumer good firms in Nigeria. Specifically, it tested the effects of firm size, firm age and leverage on financial performance (return on equity). The study used both financial and non-financial data from annual reports of 5 listed consumer good firms in Nigeria from 2007-2016. The data was analyzed using descriptive statistics, Pearson Correlation and Multiple Regressions with the help of STATA version 13. The result showed that the firm size has a positive relationship with financial performance, firm age also has a positive relationship with financial performance and leverage too has a positive relationship with financial performance.

Zahid et al (2013) empirically investigated the factors affecting firm's performance in the food sector of Pakistan. The researchers used panel data set for the period of 2005 to 2010. The researchers used one-way fixed effect regression analysis due to the presence cross-sectional fixed effect in the data. The dependent variable was ROI as a measure of firm's financial performance while the independent variables were leverage, growth, firm size, tax, tangibility and debt tax shield. The result of the analysis revealed that the factors should be put into consideration because they significantly increase or decrease the financial performance.

Adebayo and Adebiyi (2016) investigated the timeliness of financial statements among the deposit money banks in Nigeria. The study selected a sample of 15 Deposit Money Banks listed by the Nigeria Stock Exchange between 2005 and 2013. The data were analyzed and results estimated using Ordinary Least Square (OLS) Regression and it was complimented by the panel data estimation technique. The study tested for the relationship between bank size, leverage, profitability, audit firm size and the timeliness of financial statements. All the variables examined were found to be statistically significant except leverage. The findings revealed that most of the banks now comply with regulations which enhance timely reporting of financial statements in Nigeria. The study recommended that the regulatory agencies should not allow the time lag to be too long, so that the report will be useful for the intended purpose.

Susandya, Yuliastuti and Putra (2018) analyzed the factors that affect the financial reporting timeliness. The sample used in that study consisted of 90 existing cooperatives in Denpasar city. Secondary data was obtained from the Department of Cooperatives, Small and Medium Enterprises while the primary data were collected using questionnaires. The analytical technique used is multiple linear regression method. The findings in this study show that profitability, leverage, and total assets are significantly affecting on financial reporting timeliness of the cooperative. On the other hand, the performance of the executive board and the participation of members are not significantly affected on financial reporting timeliness. The results of this study are expected to be input for service Cooperatives and Small and Medium Enterprise Office in oversees cooperative for the sake of realization of the principle of accountability and financial transparency.

Attia, Lassoued and Sassi (2018) examined financial reporting lag to know if it improves the value relevance of past and current earnings for future earnings. The study used a sample of listed banks from 12 MENA countries between 1999 and 2014 period, and the empirical analysis revealed that a change in the current stock price of banks with a higher financial reporting lag contains more information about their future earnings than does a change in the stock price with a lower financial reporting lag.

Woli (2016) investigated timeliness of financial reporting in Edo State Local Governments. The study specifically examines influence of size of the local government, technology, complexity and auditor competence in relation to timeliness of financial reporting in the local government. A total of twenty-four (24) structured questions and eighty (80) questionnaires were used to evaluate respondent's perceptions. The findings revealed that the size and complexity of the local government have significant impact on timeliness of financial reporting while auditor competence has no impact on timeliness. It recommended that the local government council in Edo State should ensure that their financial statements are published at the right time of their financial year so that users of the financial statements can have access to their reports.

The Gap

The empirical studies that were reviewed are mostly the works of foreign authors. The studies that were done in Nigeria had little or nothing to do with the Nigerian deposit money banks. A few of these studies were actually related to other firms in insurance, manufacturing and a local government area of Edo State. It was this gap that informed the choice of this research on the effect of firm characteristics on the financial reporting timeliness of banks in Nigeria.

Methodology

Research Design

The study adopted the *ex-post facto* research design which anchors on the principle of making use of available or existing data on daily administrative records or activities of the organizations or population of interest.

Area of Study

The study was carried out on the money deposit banks in Nigeria for the period of 10 years, namely, 2012-2021. The study examined the relationship between firm characteristics and timeliness of reporting in the Nigerian money deposit banks.

Sources of Data

The data used for this analysis were taken from secondary sources in the form of audited annual reports and statements of account published by the sampled banks.

Population of Study

The study targeted the existing 23 listed money deposit banks in Nigeria from which the sample size was drawn.

Sample Size Determination

The study employed purposive sampling technique to select 6 listed banks. The sample size was pre-determined by the researcher as this was based on a non-probability sampling technique for arriving at it. The selection of the six banks was based on the consistency, availability and validity of the audited annual statements of account usually published by these banks over the years.

Method of Data Analysis

The method of data analysis was multiple regression analysis, while the T-test statistic was used for the test of hypothesis.

Model Specification

The model specified for analyses in this study is the multiple regressions stated as follows:

$$TML_{it} = \beta_0 + \beta_1(FAGE_1) + \beta_2(FMSZ_2) + \beta_3(LEV_3) + \beta_4(ROA_4) + \varepsilon_{it}$$

Description of Variables in the Models

TML_i represents the timeliness of financial reporting in the ith year

$FAGE_i$ denotes firm age in the ith year

$FMSZ_i$ represents firm size in the ith year

LEV_i denotes the leverage of the banks in the ith year

ROA_i represents the return on assets of the banks in the ith year

β_0 is the intercept for estimated constant contribution to financial report timeliness

β_1, β_2, β_3 and β_4 are the marginal changes in firm age, firm size, leverage and the ROA of the banks over the period of study.

Data Presentation and Analysis

Data Presentation

Table 1: Processed Data on Firm Characteristics and Timeliness Variables.

Year of Observation (i)	*Name of Bank*	*Firm age (InYears) X_1*	*Firm Size in Assets (Ntr) X_2*	*Leverage X_3*	*ROA (%) X_4*	*Timeliness (Days) (Y_i)*
2012	Access	23	1.278	5.38	2.80	46
2013	Access	24	1.704	5.95	1.54	67
2014	Access	25	1.982	6.22	2.02	35
2015	Access	26	2.412	5.69	2.44	25
2016	Access	27	3.095	6.34	2.07	56
2017	Access	28	3.499	6.45	1.52	34
2018	Access	29	3.968	8.00	1.85	45
2019	Access	30	6.311	10.62	1.17	74
2020	Access	31	7.625	10.66	1.05	32
2021	Access	32	9.661	10.09	1.15	64
2012	First Bank	115	3.127	6.93	2.28	32
2013	First Bank	116	3.247	8.26	1.83	46
2014	First Bank	117	3.558	7.24	2.23	36
2015	First Bank	118	3.332	6.26	1.47	56
2016	First Bank	119	3.558	6.73	1.41	54
2017	First Bank	120	3.777	5.51	1.24	35
2018	First Bank	121	5.600	5.33	1.07	45
2019	First Bank	122	6.200	5.52	0.99	36
2020	First Bank	123	7.400	5.51	0.92	36
2021	First Bank	124	8.500	5.51	1.39	76
2012	Fidelity Bank	26	0.501	0.28	3.58	38
2013	Fidelity Bank	27	1.081	5.61	0.71	43
2014	Fidelity Bank	28	1.187	5.85	1.16	34
2015	Fidelity Bank	29	1.232	5.85	4.88	54
2016	Fidelity Bank	30	1.298	6.00	0.75	33
2017	Fidelity Bank	31	1.379	5.85	1.29	23
2018	Fidelity Bank	32	1.719	7.84	1.33	32
2019	Fidelity Bank	33	2.114	8.03	1.34	24
2020	Fidelity Bank	34	9.251	8.25	2.73	56
2021	Fidelity Bank	35	13.349	9.75	2.56	54
2012	GTBank	12	1.620	4.65	5.26	30
2013	GTBank	13	1.904	4.78	4.49	35
2014	GTBank	14	2.127	4.75	4.39	36
2015	GTBank	15	2.279	4.62	4.14	57
2016	GTBank	16	2.613	4.48	4.85	56
2017	GTBank	17	2.825	3.87	5.62	44
2018	GTBank	18	2.713	4.29	6.15	43
2019	GTBank	19	3.097	4.11	5.65	46
2020	GTBank	20	4.062	4.78	4.38	45
2021	GTBank	21	0.144	4.41	5.76	35
2012	Union	119	0.886	4.16	1.39	36
2013	Union	120	0.869	3.62	1.43	43
2014	Union	121	0.920	3.48	2.23	35
2015	Union	122	0.998	3.33	1.78	68
2016	Union	123	1.123	3.47	1.31	78
2017	Union	124	1.335	3.15	0.96	66

2018	Union	125	1.325	5.59	1.32	54
2019	Union	126	1.712	6.40	1.42	34
2020	Union	127	2.074	7.38	0.90	32
2021	Union	128	2.567	9.21	0.66	21
2012	Zenith Bank	12	2.437	1.83	3.93	41
2013	Zenith Bank	13	3.143	5.17	3.03	45
2014	Zenith Bank	14	3.755	6.25	2.65	43
2015	Zenith Bank	15	3.750	5.86	2.63	32
2016	Zenith Bank	16	4.284	5.95	2.78	43
2017	Zenith Bank	17	4.834	5.83	3.25	52
2018	Zenith Bank	18	4.955	6.34	3.34	25
2019	Zenith Bank	19	5.435	5.86	3.28	56
2020	Zenith Bank	20	7.125	6.87	2.78	43
2021	Zenith Bank	21	7.872	6.49	2.96	24

Source: Author's Computation, 2023

Data Analysis
Analysis on Hypothesis

Table 2: Test of Hypothesis on the Multiple Regression Analysis

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	P-value
1	Regression	995.208	4	248.802	1.363	.259[b]
	Residual	10040.442	55	182.553		
	Total	11035.650	59			
a. Dependent Variable: TML						
b. Predictors: (Constant), LEV, FAGE, FMSZ, ROA						

Decision: Since p-value = 0.259 > 0.05, we accept H_0 and conclude that firm characteristics do not have significant effect on timeliness of reporting in money deposit banks in Nigeria.

Table 3: Multiple Regression Analysis

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	T	P-value
		B	Std. Error	Beta		
1	(Constant)	46.794	11.029		4.243	.000
	ROA	-.438	1.710	-.048	-.256	.799
	FAGE	.036	.048	.125	.748	.458
	FMSZ	1.718	.823	.331	2.089	.041
	LEV	-1.702	1.271	-.244	-1.340	.186
a. Dependent Variable: TML						

Source: Author's SPSS Result, 2023

The multiple regression models were formulated based on the coefficients in table above and presented as follows:

$TML_i = 46.794 - 0.036(FAGE_i) + 1.718(FMSZ_i) – 1.702(LEV_i) – 0.428(ROA_i) + \varepsilon$

The constant contribution occasioned by the independent variables is significant where p-value = 0.000 < 0.05. However, firm age, ROA and leverage are non-significant (since p-values are 0.458, 0.799 and 0.186, respectively), whereas firm size has a p-value = 0.041< 0.05, hence it is the only firm characteristic that had significant effect on timeliness during the period.

Discussion of Findings

First Finding: *Firm age has no significant effect on timeliness of reporting of the banks in Nigeria*

The finding of Kwaittommai et al (2019) on firm characteristics and financial performance of consumer goods firms in Nigeria, contradicts the outcome of this study. They found that firm size has significant effect on financial performance of consumer goods firms in Nigeria. Similarly, the study by Mutiara et al (2018) also revealed that company size has a negative and significant effect on audit report lag. The findings in Okougbo and Etobi (2014) also disagreed with the finding in this study where it was stated that the age of the company has a positive significant impact. In Maleya and Willy (2013) the study showed that liquidity, company size and age have a significant and positive effect on financial performance. However, other works reviewed within this space did not actually seem to correspond or have bearing with the outcome on firm age.

Second Finding: Firm size has a positive and significant effect on timeliness of financial of banks in Nigeria

The finding under hypothesis 2 reveals that firm size has a positive and significant effect on timeliness of financial reporting of banks in Nigeria, and this is contradicted by the findings in Okougbo and Etobi (2014) where the size, leverage and performance of the companies have a negative and significant relationship with the timeliness of the financial reports. The findings in Woli (2016), revealed that the size and complexity of the local government have significant impact on timeliness of financial reporting. However, in the study by Ibadin and Afensimi (2018), it was revealed that company size has no significant positive impact on audit delay, but concluded that firm's financial performance has a significant impact on Audit delay.

***Third Finding*:** Leverage does not have significant effect on timeliness of financial reporting of banks in Nigeria

In hypothesis 3, it was found that leverage does not have significant effect on timeliness of financial reporting of banks in Nigeria. The study by Ibadin and Afensimi (2018) also concluded that Leverage has no significant impact on Audit delay but it was not related to timeliness of financial reporting like this study. However, in Maleya and Willy (2013), the findings showed that leverage had a significant and negative effect on financial performance.

***Fourth Finding*:** Return on assets (ROA) has a significant effect on timeliness of reporting of the money deposit banks in Nigeria

The findings in hypothesis 4 revealed that return on assets (ROA) has a significant effect on timeliness of reporting of the money deposit banks in Nigeria. The works reviewed did not show if the empirical results are in support or in disagreement with the findings in this study. The outcome in hypothesis 4 of this study stands out in the area of new knowledge.

Summary of Findings

The results of the multiple regression analyses show that:

i. In hypothesis 1, p-value = 0.459 > 0.05, hence we did not reject H_{01} but rather concluded that firm age has no significant effect on timeliness of financial reporting of banks in Nigeria.
ii. Under hypothesis 2, the p-value = 0.041 < 0.05, therefore, we did not accept H_{02} but concluded that firm size has significant effect on timeliness of financial reporting of banks in Nigeria.
iii. The hypothesis 3 shows that p-value = 0.186 > 0.05, hence we rejected H_{03} and concluded that leverage has no significant effect on financial reporting timeliness of banking sector in Nigeria.
iv. In hypothesis 4, P-value = 0.799 > 0.05, so we accepted H_{04} and concluded that ROA has significant effect on the timeliness of reporting by banks in Nigeria. In summary therefore, the hypothesis that was tested in table 4.3, shows that p-value = 0.259 > 0.05, hence firm characteristics do not have significant effect on timeliness of reporting by money deposit banks in Nigeria.

Conclusion

The study on timeliness of financial reporting is gaining more attention especially now because it defines the relevance of timing and usefulness to information management. Stale information does not help in planning and decision-making process so it must be well managed. The firm characteristics have not showed significant effect on general timeliness of financial reporting in Nigeria during the period under study, therefore, the outcome provides another opportunity to continue to search for more empirical evidence on the subject matter.

The implication of the study is that we were able to determine the effect of firm characteristics on financial reporting timeliness of banking firms in Nigeria. This is expected to increase the search for more truth on the subject matter.

Recommendation

i. Banks should be able to promote healthy and timely financial report that voids ego on age of the organization. The earlier the better for the management and it will make the organization to be more responsible.
ii. Management should emphasize financial reporting based on the size of the bank because it adds up to timeliness. Firm size is an important factor in financial reporting that could enhance effective and efficient operations of the money deposit banks.
iii. Leverage of most of the sampled banks is very high and indicates that they are relying on debt to finance their operations. Management should do well to improve on their leverage position as a way of raising the financial integrity of the banks.
iv. The return on assets (ROA) of banks position can be raised by improving the net income of banks future operating and investing activities. This will lead to timeliness of reports as well as bring higher dividends and similar reports to shareholders.

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