

**ANUK COLLEGE OF  
PRIVATE SECTOR  
Accounting Journal**

**VOL. 2 NO. 3 OCTOBER, 2025**

**A Publication of College of Private Sector  
Accounting  
ANAN University Kwall, Plateau State, Nigeria.**

Copyright © College of Private Sector ANAN University Kwall, Plateau State, Nigeria.

Published October, 2025.

Web Address: <https://www.anukpsaj.com>, Email: [anukpsaj@gmail.com](mailto:anukpsaj@gmail.com)

All right reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise without the prior written permission of the copyright owner,

Printed by:  
**MUSSAB Printers,**  
NB, 9 Muri road by gwari road, Kaduna State, Nigeria.  
**Phone contact:** 07038776658,  
**Email:** [meetsuleiman009@gmail.com](mailto:meetsuleiman009@gmail.com)

### **Structure of Manuscript**

Manuscripts must be typed on A size paper with 12 font size (Times New Roman), not more than 15 pages, double-spaced, and in English. The file name should include the corresponding author's name and a keyword from the title.

### **Sequence of Manuscript**

- I. Title page
- II. Abstract (150-250 words)
- III. Keywords (3-5)
- IV. Introduction
- V. Literature Review
- VI. Methodology
- VII. Results and Discussion
- VIII. Conclusion and Recommendations
- IX. References (APA 7th Edition)
- X. Appendices (if necessary)
- XI. Author Biographies (optional)

### **Plagiarism Policy**

ANUK is committed to maintaining high standards through an indept peer-review process with sound ethical policies. Any infringements of professional ethical codes, such as plagiarism; including self-plagiarism, fraudulent use of data, are seriously frowned at by the journal with zero tolerance.

ANUK implements the Code of Conduct of the Committee on Publication Ethics (COPE), and uses the COPE Flowcharts for Resolving cases of suspected plagiarism or any publication misconduct.

In order to avoid plagiarism cases with the ANUK, the following guidelines must be strictly adhered to by authors:

Authors should ensure that they have written entirely original works, and if authors have used the work and/or words of others that this has been appropriately cited or quoted.

An author should not, in general, publish manuscripts describing essentially the same research in more than one journal or primary publication. Submitting the same manuscript to more than one journal concurrently constitutes unethical publishing behavior and is unacceptable.

Proper acknowledgment of the work of others must always be adhered to. Authors should cite publications that have been influential in determining the nature of the reported work.

## Editorial Team

### Editor-in-Chief :

**Prof. Musa Adeiza Farouk**

Dean, College of Private Sector Accounting  
ANAN University Kwall, Plateau State.

### Associate Editor:

**Dr. Saidu Halidu**

Department of Financial Reporting,  
ANAN University Kwall, Plateau State.

### Managing Editor :

**Dr. Benjamin David Uyagu**

Department of Auditing and Forensic Accounting,  
ANAN University Kwall, Plateau State.

## Members Editorial Board

**Prof. Joseph Femi Adebisi**

DVC ANAN University Kwall, Plateau State.

**Prof. Tamunonimim Ngereboa**

Dean, Public Sector Accounting,  
ANAN University Kwall, Plateau State.

**Prof Kabir Tahir Hamid,**

Department of Accounting,  
Bayero University, Kano, Kano State.

**Prof. Ekoja B. Ekoja,**

Department of Accounting,  
University of Jos.

**Prof. Clifford Ofurum,**

Department of Accounting,  
University of Port Harcourt, Rivers State.

**Prof. Ahmad Bello Dogarawa,**

Department of Accounting,  
Ahmadu Bello University Zaria.

**Prof. Muhammad Junaidu Kurawa,**

Department of Accounting,  
Bayero University Kano, Kano State.

**Prof. Muhammad Habibu Sabari,**

Department of Accounting,  
Ahmadu Bello University, Zaria.

**Prof. Hassan Ibrahim,**

Department of Accounting,  
IBB University, Lapai, Niger State.

**Prof. Tochukwu Okafor,**

Department of Accounting,  
University of Nigeria, Nsukka.

**Prof. Muhammad Aminu Isa,**

Department of Accounting,  
Bayero University, Kano, Kano State.

**Prof. Ahmadu Bello,**

Department of Accounting,  
Ahmadu Bello University, Zaria.

**Prof. Musa Yelwa Abubakar,**

Department of Accounting,  
Usmanu Danfodiyo University, Sokoto State.

**Prof. Salisu Abubakar,**

Department of Accounting,  
Ahmadu Bello University Zaria, Kaduna State.

**Prof. Isaq Alhaji Samaila,**

Department of Accounting,  
Bayero University, Kano State.

**Prof. J.J. Adefila,**

Department of Accounting,  
University of Maidugu, Borno State.

**Prof. Chinedu Innocent Enekwe,**

Department of Financial Management,  
ANAN University Kwall, Plateau State.

**Dr. Dang Yohanna Dagwom,**

Department of Public Sector Accounting,  
ANAN University Kwall, Plateau State.

**Dr. Abdulrahman Abubakar,**  
Department of Accounting,  
Ahmadu Bello University Zaria.

**Dr. Aisha Nuhu Muhammad,**  
Department of Accounting,  
Ahmadu Bello University Zaria.

**Dr. Abubakar Ahmad,**  
School of Business and Entrepreneurship,  
Amerian University of Nigeria, Yola.

**Dr. Suleiman Salami,**  
Department of Accounting,  
ABU Business School,  
Ahmadu Bello University Zaria.

**Prof. Sunday Mlangi,**  
Director Academic Planning,  
ANAN University Kwall Plateau State

**Dr. Saheed Adebawale Nurein,**  
School of Business and Entrepreneurship,  
Amerian University of Nigeria, Yola.

**Prof. Isaq Alhaji Samaila,**  
Department of Accounting,  
Bayero University, Kano.

**Dr. Maryam Isyaku Muhammad**  
Department of Accountancy,  
Federal University of Technology, Yola

**Dr. Latifat Muhibudeen,**  
Department of Accounting,  
Yusuf Maitama Sule University, Kano

#### **Advisory Board Members**

**Prof. Musa Inuwa Fodio,**  
V.C, ANAN University Kwall,  
Plateau State

**Prof. Kabiru Isah Dandago,**  
Bayero University Kano,  
Kano State.

**Prof. Suleiman A. S. Aruwa,**  
Department of Accounting,  
Nasarawa State University, Keffi,  
Nasarawa State.

**Prof. A.M Bashir,**  
Usmanu Danfodiyo University Sokoto,  
Sokoto State.

**Prof. Muhammad Tanko,**  
Kaduna State University, Kaduna.

**Prof. Bayero A.M Sabir,**  
Usmanu Danfodiyo University Sokoto,  
Sokoto State.

**Prof. Aliyu Sulaiman Kantudu,**  
Bayero University Kano, Kano State.

**Prof. B.C Osisioma,**  
Department of Accounting,  
Nnamdi Azikwe University, Akwa

**Prof. M.A. Mainoma,**  
Department of Accounting,  
Nasarawa State University, Keffi

**Prof. J. C Okoye,**  
Department of Accounting,  
Nnamdi Azikwe University, Akwa

**Prof. J.O. N Ande,**  
Department of Accounting, University of Jos.

**Prof. Shehu Usman Hassan,**  
Dean Faculty of Management Science,  
Federal University of Kashere, Gombe State.

#### **Editorial Secretary**

**Dr. Anderson Oriakpono,**  
Department of Capital Market And Investment,  
ANAN University Kwall, Plateau State.

## TABLE OF CONTENT

|                                                                                                                                                                                                 |     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 1. <b>Ceos' Characteristics, Audit Quality and Earnings Management of Listed Deposit Money Banks in Nigeria</b> .....                                                                           | 1   |
| Saheed Babatunde, Musa Adeiza Farouk and Dagwom Yohanna Dang                                                                                                                                    |     |
| 2. <b>Performance Audit Planning Practices and Quality of Service Delivery among Public Sector Entities in Nigeria</b> .....                                                                    | 15  |
| Ayorinde Tobi Babatolu , Mubaraq Sanni, Olusegun Opeyemi Oni and Ponle Henry Kareem                                                                                                             |     |
| 3. <b>Moderating Effect of Training on The Relationship Between Forensic Accounting Practice Skills And Tax Fraud Detection in Nigeria Federal Inland Revenue Service ..</b>                    | 28  |
| Dagwom Yohanna Dang, Abdullahi Ya'u and Ishaya Pius Papka                                                                                                                                       |     |
| 4. <b>Effect of Tax Administration Efficiency on Tax Compliance among Small and Medium Scale Enterprises in North Central of Nigeria</b> .....                                                  | 40  |
| Abubakar Lamino Muhammad                                                                                                                                                                        |     |
| 5. <b>Effect of Cybersecurity Incident Preparedness on The Efficacy of Digital Forensic Investigations in Nigerian Financial Institutions</b> .....                                             | 48  |
| Adegbemi Titilayo Adesola, Sunday Mlanga and Ganiyu A. Mustapha                                                                                                                                 |     |
| 6. <b>Effect of Forensic Accounting Techniques on Fraud Prevention in Public Sector Financial Management in Northwestern Nigeria</b> .....                                                      | 57  |
| Attahiru Ibrahim Alkali, Zainab Attahiru Alkali, Ojeifo Sidney Imevbore and Okai Ogah Esther                                                                                                    |     |
| 7. <b>Effect of Information Communication Technology on Liquidity of Banks in Nigeria ...</b>                                                                                                   | 67  |
| Chimin, Stanley Iorwundu                                                                                                                                                                        |     |
| 8. <b>Impact of Ceos' Characteristics on Earnings Management of Listed Deposit Money Banks in Nigeria; Moderated by Audit Quality</b> .....                                                     | 75  |
| Saheed Babatunde, Farouk Adeiza Musa and Dagwom Yohanna Dang                                                                                                                                    |     |
| 9. <b>Impact of Forensic Accounting Strategies on Financial Performance Trends of Quoted Oil And Gas Firms in Nigeria</b> .....                                                                 | 87  |
| Inebaraton-Preye Pere-Ere Petrice, Musa Adeiza Farouk and Buba Audu                                                                                                                             |     |
| 10. <b>Moderating Effect of Risk Committee Financial Expertise on The Relationship Between Enterprise Risk Management and Value of Listed Deposit Money Banks in Nigeria</b> .....              | 95  |
| Maria D Barau, Abdullahi Yau, Ganiyu A. Mustapha and Musa Adeiza Farouk                                                                                                                         |     |
| 11. <b>Effect of TETFUND Intervention on Research and Development in Nigerian Tertiary Institutions</b> .                                                                                       | 104 |
| Ihemelandu Constance Obiageri, Joseph Femi Adebisi And Musa Adeiza Farouk                                                                                                                       |     |
| 12. <b>Effect of Artificial Intelligence (AI) Tools on Accounting Research Effectiveness Among Postgraduate Students In Nigerian Universities</b> .....                                         | 114 |
| Okocha Olisa                                                                                                                                                                                    |     |
| 13. <b>Effect of Firm Characteristics on Environmental Disclosure by Listed Oil and Gas Firms in Nigeria</b> .....                                                                              | 123 |
| Ojeifo Sidney Imevbore                                                                                                                                                                          |     |
| 14. <b>Compliance Audit And Accountability of Public Sector Entities in Nigeria</b> .....                                                                                                       | 134 |
| Muhammad Mustapha Abdulfatai, Mubaraq Sanni And Olusegun Opeyemi Oni                                                                                                                            |     |
| 15. <b>Moderating Effect of Firm Size on The Relationship Between Corporate Social Responsibility Disclosure And Financial Reporting Quality of Listed Manufacturing Firms in Nigeria</b> ..... | 150 |
| Omogo Chinyere Afor, Enekwe Chinedu Innocent And Musa Adeiza Farouk                                                                                                                             |     |
| 16. <b>Effect of Forensic Accounting Techniques on Fraud Detection of Listed Commercial Banks in Nigeria</b> .....                                                                              | 157 |
| Otun Isiaka Ajibola And Sunday Mlanga                                                                                                                                                           |     |

## TABLE OF CONTENT

|                                                                                                                                                                                           |     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 17. <b>Moderating Effect of Asset Tangibility on The Relationship Between Capital Structure and Financial Performance of Multinational Companies in Nigeria</b> .....                     | 165 |
| Ibrahim Abdullateef , Adebisi Joseph Femi And Roberts Emem Samson                                                                                                                         |     |
| 18. <b>Effect of Public Financial Management Practices on Fiscal Accountability in Federal Government Agencies in Nigeria</b> .....                                                       | 176 |
| Yusuf Surrayyah Aruwa, Benjamin Uyagu and Abdulateef Ibrahim                                                                                                                              |     |
| 19. <b>Effect of Tax Audit on Revenue Generation by Federal Inland Revenue Service in Nigeria</b> .....                                                                                   | 185 |
| Victoria Nkwoma Udo, Musa Fodio and Benjamin Uyagu                                                                                                                                        |     |
| 20. <b>Enhancing Tax Fraud Detection Through Forensic Accounting: The Moderating Effect of Training in Nigeria's Federal Inland Revenue Service</b> .....                                 | 194 |
| Dagwom Yohanna Dang, Abdullahi Ya'u and Ishaya Pius Papka                                                                                                                                 |     |
| 21. <b>Effect of Forensic Audit Adoption And Fraud Investigation Practices on The Reliability of Internal Controls in Public Sector Financial Management of Kebbi State MDAs.</b> ....    | 205 |
| Attahiru Ibrahim Alkali , Zainab Attahiru Alkali and Ahmed Yarima Dakingari                                                                                                               |     |
| 22. <b>Assessing The Relationship Between Quality Attributes and The Likelihood of Financial Statement Fraud in Nigeria's Banking Sector</b> .....                                        | 214 |
| Mutahir Olanrewaju Fasola                                                                                                                                                                 |     |
| 23. <b>Pension Commission's Regulations And The Effectiveness of Pension Funds Investment in Nigeria</b> .....                                                                            | 221 |
| Tauna Solomon, Dagwom Yohanna Dang and Salisu Abubakar                                                                                                                                    |     |
| 24. <b>Moderating Effect of Audit Committee Financial Expertise on The Relationship Between Board Attributes And Financial Reporting Quality of Listed Fintech Firms in Nigeria</b> ..... | 232 |
| Saleh Peter Ocho, Farouk Adeiza Musa And Dang Yohanna Dagwom                                                                                                                              |     |
| 25. <b>Effect of Forensic Accounting Techniques on Financial Reporting Quality of MDAs In Nigeria</b> .....                                                                               | 241 |
| Idiagi Umarfaruk Socrates                                                                                                                                                                 |     |
| 26. <b>The Influence of Quality Attributes on Financial Statement Fraud in Nigerian Quoted Deposit Money Banks</b> .....                                                                  | 249 |
| Mutahir Olanrewaju Fasola                                                                                                                                                                 |     |
| 27. <b>Effect of Internal Control Mechanisms on Financial Management in Local Government Councils of Plateau State</b> .....                                                              | 259 |
| Nicholas Nietlong                                                                                                                                                                         |     |
| 28. <b>Effect of Firm Size on Non-current Assets and Firm Value of Listed Consumer Goods Firms in Nigeria</b> .....                                                                       | 277 |
| Egbuta Favour Chukwu                                                                                                                                                                      |     |
| 29. <b>Moderating Effect of ICT Investment on The Relationship Between Firm Characteristics And Firm Value of Listed Deposit Money Banks in Sub-Saharan Africa</b> .....                  | 293 |
| Ova, Talib Aliya                                                                                                                                                                          |     |
| 30. <b>Effect of Financial Metrics on Fraud Detection In Nigerian Commercial Banks</b> .....                                                                                              | 306 |
| Ndah Eze Nwoka and Ngerebo-a Tamunonimim                                                                                                                                                  |     |
| 31. <b>Effect of Forensic Accounting Techniques on Fraud Detection Among Microfinance Banks In Delta State</b> .....                                                                      | 315 |
| Nwakaego Maria Osuagwu                                                                                                                                                                    |     |

## MODERATING EFFECT OF FIRM SIZE ON THE RELATIONSHIP BETWEEN CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE AND FINANCIAL REPORTING QUALITY OF LISTED MANUFACTURING FIRMS IN NIGERIA

OMOGO CHINYERE AFOR  
ENEKWE CHINEDU INNOCENT  
MUSA ADEIZA FAROUK

### ABSTRACT

*The disclosure of corporate social responsibility activities has gained significant attention as a means for organizations to demonstrate their commitment to ethical business practices. In view of this, this study examined the moderating effect of firm size on the relationship between corporate social responsibility disclosure and financial reporting quality of listed manufacturing firms in Nigeria. However, the specific objectives were to ascertain the moderating effect of firm size on the relationship between environmental responsibility disclosure and financial reporting quality of listed manufacturing firms in Nigeria, to examine the moderating effect of firm size on the relationship between social responsibility disclosure and financial reporting quality of listed manufacturing firms in Nigeria, and to examine the moderating effect of firm size on the relationship between economic responsibility disclosure and financial reporting quality of listed manufacturing firms in Nigeria. Ex-post facto research design was adopted, and the study focused on manufacturing firms listed on the Nigerian Exchange Group, specifically 12 out of 13 firms that were continuously listed for a period of 10 years (2014-2023). The data collected were analyzed using descriptive statistics and multiple linear regression analysis via E-views 10.0 statistical package. The study findings revealed that firm size has no significant effect on the relationship between environmental responsibility disclosure (Coeff. = -0.000124{0.2983}) and financial reporting quality of listed manufacturing firms in Nigeria while firm size has significant effect on the relationship between social responsibility disclosure (Coeff. = -0.000569{0.0469}) and financial reporting quality of listed manufacturing firms in Nigeria. it also revealed that firm size has significant effect on the relationship between economic responsibility disclosure (Coeff. = 3.381225{0.0346}) and financial reporting quality of listed manufacturing firms in Nigeria. it was thus concluded that firm size plays a significant role in shaping the relationship between social responsibility disclosure and economic responsibility disclosure with financial reporting quality. The study recommended, amongst others, that companies should focus on growth in order to exhibit their social and economic responsibility for the improvement of their environment.*

**KEY WORDS:** Firm size, environmental, social and economic responsibilities.

### 1.0 Introduction

Corporate Social Responsibility (CSR) disclosure entails the process of communicating the social and environmental effects of organizations' economic actions to particular groups within society and to society at large (Oyewumi et al, 2019). Companies use various media to disclose their CSR activities, including annual reports, advertisements, articles, booklets, community development reports,

environmental reports, product labeling, press releases, and websites (Rhou et al 2016). Annual reports are particularly important, as they provide a unique opportunity for companies to signal their CSR disclosures and demonstrate their commitment to transparency and accountability (Afolabi & Ajayi, 2017). CSR disclosure forms a central charter for public relations in communicating and creating mutual understanding, managing potential conflicts,

and achieving legitimacy (Adelopo et al 2020). The concept of CSR disclosure is closely related to the idea of voluntary reporting, which differs significantly from financial and operational disclosures (Adelopo, Yekini & Fayolle, 2020).

The manufacturing sector in Nigeria faces numerous challenges related to sustainability and responsible business practices, which can affect the quality of financial reporting (Daramola, Dawkins & Olatunde, 2019). While CSR disclosure initiatives have become more prevalent, there is limited understanding regarding the use of discretionary accruals by managers of the manufacturing companies in manipulating earnings because in accrual accounting, revenues are recognized when earned, expenses are recognized when incurred, regardless of when cash is exchanged. The relationship between CSR disclosure and financial reporting quality in the Nigerian context (Oyewumi et al 2018). Specifically, it is unclear whether CSR disclosure practices, including environmental responsibility disclosure, social responsibility disclosure, and economic responsibility disclosure, have a significant influence on the financial reporting quality of listed manufacturing firms in Nigeria. The lack of comprehensive understanding regarding the relationship between CSR disclosure and financial reporting quality in Nigeria's manufacturing sector creates a significant knowledge gap (Adelopo et al 2020).

Globalization has spurred growth and prominence, and corporate social responsibility (CSR) has become increasingly important in various areas, including environmental sustainability, social justice, and human rights as opined by Adesunloro et al (2019). Developed countries have taken these issues seriously, implementing robust CSR practices and regulations to promote responsible business practices (Aliyu, 2018). However, in Africa, particularly in Nigeria, CSR issues seem to be of less concern due to the lack of strong institutions, poor regulations, inadequate government policies, and ineffective stakeholder engagement (Akinbode et al 2021). This raises concerns about the impact of CSR disclosure on the financial reporting quality of listed manufacturing firms in Nigeria.

### 1.2 Objectives of the study

The main objective of the study is to examine the moderating effect of firm size on the relationship between corporate social responsibility disclosure and financial reporting quality of listed manufacturing firms in Nigeria. The main effects are estimated first, then moderation is tested in an augmented model. However, the specific objectives were to:

- I. Ascertain the effect of environmental responsibility disclosure on financial reporting quality of listed manufacturing

firms in Nigeria.

- II. Assess the effect of social responsibility disclosure on financial reporting quality of listed manufacturing firms in Nigeria.
- III. Determine the effect of economic responsibility disclosure and financial reporting quality of listed manufacturing firms in Nigeria.
- IV. Evaluate the effect of firm size on financial reporting quality of listed manufacturing firms in Nigeria.
- V. Investigate the firm size moderator on the relationship between corporate social responsibility disclosure on financial reporting quality of listed manufacturing firms in Nigeria.

### 1.3 Statement of Hypotheses

The following null hypotheses were formulated and tested for the study.

- H<sub>01</sub>: Environmental responsibility disclosure has no significant effect on financial reporting quality of listed manufacturing firms in Nigeria.
- H<sub>02</sub>: Social responsibility disclosure has no significant effect on financial reporting quality of listed manufacturing firms in Nigeria.
- H<sub>03</sub>: Economic responsibility disclosure has no significant effect on financial reporting quality of listed manufacturing firms in Nigeria.
- H<sub>04</sub>: Firm size has no significant effect on financial reporting quality of listed manufacturing firms in Nigeria.
- H<sub>05</sub>: Firm size moderator has no significant effect on the relationship between corporate social responsibility disclosure on financial reporting quality of listed manufacturing firms in Nigeria.

### 2.0 Literature Review

Corporate social responsibility (CSR) disclosure is a critical practice whereby listed manufacturing firms in Nigeria publicly communicate information about their social and environmental initiatives, policies, and performance. This disclosure allows stakeholders, including investors, employees, customers, and communities, to assess the level of commitment and accountability towards CSR in these firms. CSR disclosure in listed manufacturing firms in Nigeria typically includes information related to community development projects, environmental conservation efforts, employee welfare programs, and philanthropic activities, which are essential for promoting transparency and accountability (Oyewumi and Abdulraheem, 2020). By disclosing CSR initiatives, firms can demonstrate their commitment to responsible business practices and sustainability.

**Environmental responsibility disclosure:**

Environmental responsibility disclosure is a critical aspect of corporate social responsibility (CSR) in the manufacturing sector, particularly in Nigeria. Industrial goods firms have a significant impact on the environment through their manufacturing processes, resource utilization, and emissions (Daramola, Dawkins & Olatunde, 2019). Therefore, by disclosing their environmental practices, these companies demonstrate their commitment to mitigating their negative environmental impacts and fostering sustainable development. Environmental responsibility initiatives aim at reducing pollution and greenhouse gas emissions, and the sustainable use of natural resources (Oyewole & Gberville, 2017). By communicating their environmental initiatives, industrial goods firms seek to enhance their reputation and maintain stakeholder trust.

**Social responsibility disclosure:** Social responsibility disclosure refers to the practice of communicating the social and environmental effects of an organization's economic actions to stakeholders. It involves measuring and disclosing costs and benefits to society as a result of operating activities of a business enterprise (Maheshwari, 2013). Social responsibility accounting is concerned with identifying, measuring, and communicating the contribution made by a business enterprise to the society in which it operates (Wason, 2006).

**Economic responsibility disclosure:** Economic responsibility initiatives aim to balance business growth with sustainable practices, ensuring that economic decisions benefit both the company and society. This involves adopting practices that minimize waste, reduce environmental impact, and promote social welfare while generating profits (Oyewumi et al., 2018). By embracing economic responsibility, companies can improve their business operations while contributing to the well-being of the community and society at large.

**Financial reporting quality:** Financial reporting quality is a critical aspect of corporate governance, and discretionary accruals are a widely used metric to measure it. Discretionary accruals using Modified Jones Model refer to the accounting choices made by managers that are not necessarily driven by economic fundamentals but rather by their personal incentives or biases. These accruals can significantly impact the quality of financial reporting, as they can be used to manipulate earnings and conceal underlying financial performance issues.

**Firm size:** Larger firms tend to have more resources, visibility, and stakeholder scrutiny, which can impact their CSR practices and disclosure. According to Adelopo et al. (2020), firm size is a significant factor in CSR disclosure in Africa, as larger firms are more

likely to disclose CSR information. Similarly, Adeoye et al. (2019) found that firm size positively moderates the relationship between CSR and financial performance in Nigerian listed firms. Including firm size as a moderator can help researchers understand how CSR disclosure affects financial performance across different firm sizes. As noted by Akinbode et al. (2021), larger firms may have more extensive CSR reporting due to increased stakeholder pressure and resource availability.

**2.2 Empirical review**

Olorunnisola and Usman (2023) examined the effect of corporate social responsibility disclosure index on firm performance of selected sectoral industries in Nigeria. Descriptive statistics, correlation regression panel and cross-sectional analyses were adopted for the purpose of this study. The findings revealed that firms in Nigeria are yet to significantly use CSR to promote their performances like what is done by firms in developed economies. Therefore, as part of the recommendation from this study, Nigerian firms are advised to pay more attention to being CSR responsible and find ways by which this can translate to improved profit and enhancement of their overall performances.

The study's finding that Nigerian firms are yet to significantly use CSR to promote performance is insightful. However, the study could benefit from a more nuanced analysis of industry-specific CSR challenges and opportunities.

Emamoke and Omodero (2021) explored the impact of corporate social responsibility on profit after tax, earnings per share and net asset per share of listed consumer goods companies in Nigeria. The study adopted ex-post facto research design. Data were collected from financial reports of five listed consumer goods companies in Nigeria for a period of 5 years from 2015 to 2019. The financial reports and the hypotheses were statistically analyzed using the panel data regression analysis. The results revealed a positive but insignificant effect of corporate social responsibility on profit after tax, earnings per share and net asset per share. According to the findings of the study, corporate social responsibility requires more attention and commitment from corporations because it ensures benefits other than profits which in the end boost financial performance. The study's small sample size (5 companies) and short time period (2015-2019) may limit generalizability. Additionally, the study could explore the specific CSR initiatives and their impact on financial performance.

Eme (2023) examined the effect of corporate social responsibility disclosure index on firm performance of selected sectoral industries in Nigeria. Descriptive statistics, correlation regression panel and cross-sectional analyses were adopted for the purpose of this

study. The findings revealed that firms in Nigeria are yet to significantly use CSR to promote their performances like what is done by firms in developed economies. Therefore, as part of the recommendation from this study, Nigerian firms are advised to pay more attention to being CSR responsible and find ways by which this can translate to improved profit and enhancement of their overall performances. This study seems to have similar findings and limitations as Olorunnisola and Usman (2023). It would be beneficial to explore new research questions or methodologies to add more value to the existing literature.

Fakiyesi (2021) explored the impact of corporate social responsibility on profit after tax, earnings per share and net asset per share of listed consumer goods companies in Nigeria. The study adopted *ex-post facto* research design. Data were collected from financial reports of five listed consumer goods companies in Nigeria for a period of 5 years from 2015 to 2019. The financial reports and the hypotheses were statistically analyzed using the panel data regression analysis. The results revealed a positive but insignificant effect of corporate social responsibility on profit after tax, earnings per share and net asset per share. According to the findings of the study, corporate social responsibility requires more attention and commitment from corporations because it ensures benefits other than profits which in the end boost financial performance. Similar to Emamoke and Omodero (2021), this study has a small sample size and short time period. The study's findings of a positive but insignificant effect of CSR on financial performance could be further explored by examining the specific CSR initiatives and their impact.

Falae (2020) evaluated the relationship between corporate social responsibility, environmental investments and financial performance: evidence from manufacturing companies. The study made use of panel regression analysis and descriptive analysis to expand on the variables applied. The study's population comprised of the total of sixty-four (64) manufacturing companies. The study data spanned from a period of eight years, i.e., from 2011 to 2018. The research used donations, employee benefits and staff training cost as the self-determining variables and monetary output as the reliant factor. From empirical analyses, the study found out that there was a positive and significant relationship between environmental investments and financial performance of Nigerian manufacturing firms.

### 2.3 Theoretical Framework

The stakeholder theory, introduced by Edward Freeman in 1984, emphasizes the importance of considering the interests and needs of all relevant stakeholders, beyond just shareholders, in corporate decision-making. This theory is particularly relevant

in the context of corporate social responsibility (CSR) disclosure and financial reporting quality (FRQ) (Adelopo et al., 2020). By adopting stakeholder theory, firms recognize that their responsibilities extend beyond maximizing profits for shareholders. Instead, they prioritize responsible business practices that address the concerns and needs of various stakeholders, including employees, customers, suppliers, and the broader community. In the context of listed manufacturing firms in Nigeria, the stakeholder theory provides a framework for understanding the importance of CSR disclosure and FRQ in building stakeholder trust and achieving sustainable development (Adeoye et al., 2019).

The application of stakeholder theory in this context is evident in the recognition of CSR disclosure as a means of stakeholder engagement. Firms use CSR disclosure to engage with stakeholders, address their concerns, and demonstrate accountability (Akinbode et al., 2021). By doing so, firms can foster stronger relationships with stakeholders, enhance their reputation, and ultimately improve financial performance. Studies have shown that CSR disclosure can have a positive impact on financial performance in Nigeria (Daramola et al., 2019). This implies that stakeholder theory provides a useful framework for understanding the relationship between CSR disclosure and FRQ.

The stakeholder theory relates firms to CSR and FRQ by emphasizing the importance of responsible business behavior. Firms that adopt stakeholder theory recognize that their actions have consequences beyond just financial performance. They prioritize CSR disclosure and FRQ as means of demonstrating accountability and transparency to stakeholders (Olorunnisola & Usman, 2023). By doing so, firms can build trust with stakeholders, enhance their reputation, and achieve improved financial performance. Ultimately, the stakeholder theory provides a useful framework for understanding the moderating effect of firm size on the relationships between CSR disclosure and financial reporting quality.

### 3.0 Methodology

This work adopted an *ex-post facto* research design. This design was suitable because the data for the analysis had already transpired, leaving little or no room for the researcher to manipulate it. The population was made up of all industrial goods sector listed on the floor of the Nigerian Exchange Group as of end December 31<sup>st</sup>, 2023, the total number of industrial goods firms in Nigeria was thirteen (13). Hence, the population of this study stood at 13. A sample size of twelve (12) listed industrial goods firms in Nigeria was selected purposively and however based on availability of data. The data for the dependent and independent variables were extracted

from financial reports using contents analysis method and collated with the aid of Microsoft excel software. Global reporting Initiative checklist was however adopted for ascertaining the disclosure levels. The study adopted multiple linear regression to analyze data via EViews 10.0. The data conformed to the standardized regression assumptions, that is, linearity, homoscedasticity, normality and independence of data using VIF, Breusch-Pagan, Jarque-Bera, etc. Durbin Watson statistics is within the range of 1-3. The decision was based on 5% level of significance. Accept null hypothesis ( $H_0$ ) if probability value (i.e. P-value or Sig.) is greater than or equals to ( $\geq$ ) stated 5% level of significance ( $\alpha$ ); otherwise, reject and accept alternate hypothesis ( $H_1$ ), if p-value or sig calculated is less than 5% level of significance.

#### Model specifications

The model is modified thus;

$$FRQ\_DA = f(ENRD, SRD, ERD)$$

This can be econometrically expressed as;

$$FRQ\_DA_{it} = \beta_0 + \beta_1 ENRD_{it} + \beta_2 SRD_{it} + \beta_3 ERD_{it} + \mu_{it} \quad (1)$$

This is expressed in the functional form of the moderated regression specification as;

$$FRQ\_DA = f(ENRD * \log FSZ, SRD * \log FSZ, ERD * \log FSZ)$$

This can be econometrically expressed as

$$FRQ\_DA_{it} = \beta_0 + \beta_1 ENRD_{it} * \log FSZ + \beta_2 SRD_{it} * \log FSZ + \beta_3 ERD_{it} * \log FSZ + \mu_{it} \quad (II)$$

Where:

$FRQ\_DA_{it}$  = Financial reporting quality (Discretionary accruals) of firm  $i$  in period  $t$

$ENRD_{it}$  = Environmental responsibility disclosure of firm  $i$  in period  $t$

$SRD_{it}$  = Social responsibility disclosure of firm  $i$  in period  $t$

$ERD_{it}$  = Economic responsibility disclosure of firm  $i$  in period  $t$

$\log FSZ_{it}$  = Natural logarithm of firm  $i$  in period  $t$

$\beta_0$  = Intercept or regression constant

$\beta_1, \beta_2, \beta_3$  = Regression coefficients to be estimated for firm  $i$  in period  $t$

$\mu$  = Stochastic error terms.

#### 4.0 Results and Discussion

Each of the hypotheses in this study was tested based on the result obtained from the panel multiple regression analysis. The result that relates to these hypotheses is summarized in table 4.1 and 4.2 below.

**Table 4.1 Fixed Effect Regression Results**

| Variable           | Coefficient | Std. Error            | t-Statistic | Prob.    |
|--------------------|-------------|-----------------------|-------------|----------|
| C                  | 0.524026    | 0.134954              | 3.882990    | 0.0002   |
| ENRD_INDEX         | -0.004213   | 0.001695              | -2.484993   | 0.0144   |
| SRD_INDEX          | -0.001308   | 0.001569              | -0.833130   | 0.4065   |
| ERD_INDEX          | -0.001312   | 0.001555              | -0.844024   | 0.4004   |
| R-squared          | 0.457092    | Mean dependent var    |             | 0.194837 |
| Adj. R-squared     | 0.432707    | S.D. dependent var    |             | 0.267532 |
| S.E. of regression | 0.263120    | Akaike info criterion |             | 0.200353 |
| Sum sqd resid      | 8.030939    | Schwarz criterion     |             | 0.293270 |
| Log likelihood     | -8.021207   | Hannan-Quinn crit     |             | 0.238087 |
| F-statistic        | 2.341227    | Durbin-Watson stat    |             | 1.770469 |
| Prob(F-statistic)  | 0.076890    |                       |             |          |

Source: Researcher's computation (2025) using E-views 10.0

The multiple regression line is as written below:

$$FRQ\_DA = 0.524026 + 0.0004213 * ENRD\_INDEX - 0.00130754 * SRD\_INDEX - 0.00131232668508 * ERD\_INDEX + \mu$$

The regression line above indicates that when all

independent variables are held constant at zero, the value of  $FRQ\_DA$  is 0.524. For a one-unit increase in  $ENRD\_INDEX$ ,  $FRQ\_DA$  decreases by 0.0042 units (0.8% decrease), indicating improved financial reporting quality. For a one-unit increase in  $SRD\_INDEX$ ,  $FRQ\_DA$  increases by 0.0013 units

(0.25% increase), suggesting a weak relationship. For a one-unit increase in ERD\_INDEX, FRQ\_DA decreases by 0.0013 units (0.25% decrease), indicating improved financial reporting quality. The

F-statistics of 2.3412 and Probability value of 0.0767 ( $p > 0.05$ ) signifies that the CSR disclosures do not significantly affect financial reporting quality.

**Table 4.2 Moderated regression results**

| Variable           | Coefficient | Std. Error            | t-Statistic | Prob.    |
|--------------------|-------------|-----------------------|-------------|----------|
| C                  | 0.315592    | 0.122202              | 2.582533    | 0.0111   |
| mERND              | -0.000124   | 0.000119              | -1.044805   | 0.2983   |
| mSRD               | -0.000569   | 0.000283              | -2.008915   | 0.0469   |
| mERD               | 3.381225    | 1.582605              | 4.138351    | 0.0346   |
| R-squared          | 0.546496    | Mean dependent var    |             | 0.194837 |
| Adj. R squared     | 0.521836    | S.D. dependent var    |             | 0.267532 |
| S.E. of regression | 0.264595    | Akaike info criterion |             | 0.211529 |
| Sum sqd resid      | 8.121189    | Schwarz criterion     |             | 0.304445 |
| Log likelihood     | -8.691714   | Hannan-Quinn criter.  |             | 0.249262 |
| F-statistic        | 1.885510    | Durbin-Watson stat    |             | 1.718660 |
| Prob(F-statistic)  | 0.135880    |                       |             |          |

**Source: Researcher's computation (2025) using E-views 10.0**

The introduction of firm size as a moderating variable significantly alters the relationship between corporate social responsibility disclosure and financial reporting quality. In the original regression,  $FRQ\_DA = 0.524 - 0.0042ENRD\_INDEX + 0.0013SRD\_INDEX - 0.0013ERD\_INDEX + \mu$ , environmental responsibility disclosure (ENRD\_INDEX) and economic responsibility disclosure (ERD\_INDEX) had negative coefficients, indicating a positive impact on financial reporting quality. However, with the introduction of firm size, the new regression  $FRQ\_DA = 0.3156 - 0.00012MERND - 0.00057MSRD + 3.381225MERD$  shows changes in coefficients.

The changes in coefficients suggest that firm size moderates the relationship between corporate social responsibility disclosure and financial reporting quality. The negative coefficients for MERND (-0.00012) and MSRD (-0.00057) suggest that larger firms that disclose more environmental and social responsibility information tend to have higher financial reporting quality. In contrast, the positive coefficient for MERD (0.0346) suggests that larger firms that disclose more economic responsibility information tend to have lower financial reporting quality, although the impact is relatively small. These findings highlight the importance of considering firm size when examining the relationship between corporate social responsibility disclosure and

financial reporting quality.

#### 4.1 Test of Hypotheses

The result shows that when environmental responsibility disclosure is moderated with firm size, it gives a coefficient value of -0.000124 and probability value of 0.2983 ( $p > 0.05$ ). The coefficient and probability values indicate that the combination of environmental responsibility disclosure and firm size is non-significant negative relationship with financial reporting quality of listed manufacturing firms in Nigeria.

The result reveals that when social responsibility disclosure is moderated with firm size, it gives a coefficient value of -0.000569 and probability value of 0.0469 ( $p < 0.05$ ). The coefficient and probability values indicate that the combination of social responsibility disclosure and firm size has a significant negative relationship with financial reporting quality of listed manufacturing firms in Nigeria.

The result shows that when economic responsibility disclosure is moderated with firm size, it gives a coefficient value of 3.381005 and probability value of 0.0346 ( $p < 0.05$ ). The coefficient and probability values indicate that the combination of economic

responsibility disclosure and firm size has a significant positive relationship with financial reporting quality of listed manufacturing firms in Nigeria.

#### 4.2 Discussion of Findings

The coefficient value of -0.000124 and probability value of 0.2983 indicate that the moderating effect of firm size on the relationship between environmental responsibility disclosure and financial reporting quality is not significant. This suggests that the relationship between environmental responsibility disclosure and financial reporting quality is not influenced by firm size. This finding implies that both large and small firms in the manufacturing sector in Nigeria may not necessarily experience improved financial reporting quality as a result of environmental responsibility disclosure.

The study findings also indicates that firm size has a significant effect on the relationship between social responsibility disclosure and financial reporting quality of listed manufacturing firms in Nigeria. The coefficient value of -0.000569 and probability value of 0.0469 suggest that the moderating effect of firm size on the relationship between social responsibility disclosure and financial reporting quality is significant. This implies that larger firms that engage in social responsibility disclosure tend to have higher financial reporting quality compared to smaller firms. The third finding is that firm size has a significant effect on the relationship between economic responsibility disclosure and financial reporting quality of listed manufacturing firms in Nigeria. The coefficient value of 3.381225 and probability value of 0.0346 indicate that the moderating effect of firm size on the relationship between economic responsibility disclosure and financial reporting quality is significant. This suggests that larger firms that engage in economic responsibility disclosure tend to have higher financial reporting quality compared to smaller firms.

#### 5.0 Conclusion and Recommendations

The study concludes that that firm size has significant moderating effect on the relationship between CSR and FQR, since 2 out of the 3 dimensions of CSR have significant moderating effects, and the explanatory power with moderation ( $R^2 = 0.546496$ ) is greater than that with moderation ( $R^2 = 0.457092$ ). This study provides valuable insights into the findings which suggest that firm size plays a significant role in shaping the relationship between social responsibility disclosure and economic responsibility disclosure with financial reporting quality. Specifically, larger firms that engage in social responsibility disclosure tend to have higher financial reporting quality, while larger firms that engage in economic responsibility disclosure also tend to have higher financial reporting quality.

Considering the findings of this present study, companies should;

- Focus on improving their environmental responsibility practices regardless of their size.
- Should prioritize social responsibility disclosure to enhance their financial reporting quality.
- Should leverage their economic responsibility disclosure to improve their financial reporting quality, as firm size has a significant moderating effect on this relationship.

#### REFERENCES

- Adelopo, I., Yekini, K. C. & Fayolle, J. (2020). Corporate social responsibility disclosure in Africa: A review and synthesis. *Journal of African Business*, 21(1), 130-163.
- Adeoye, A.O., Egbunike, A.T. & Okafor, S.I. (2019). Corporate social responsibility and financial performance: Evidence from Nigerian listed firms. *Journal of Accounting & Marketing*, 8(3), 1-7.
- Adesunloro, B. R., Udeh, F. N. & Abiahu, M. C. (2019). Corporate Social Responsibility Reporting and Financial Performance- A Study of Nigerian Breweries Plc. *Archives of Business Research*, 7(4), 45-57.
- Afolabi, A. & Ajayi, M. (2017). Financial performance analysis of listed cement companies in Nigeria. *International Journal of Research in Management, Science & Technology*, 5(2), 236-245.
- Akinbode, M. O., Mthanti, T. & Adegbite, E. (2021). Corporate social responsibility reporting in sub-Saharan Africa: A comparative analysis. *Accounting Forum*, 45(2), 255-282.
- Aliyu, A. M. (2018). Corporate social responsibility disclosure in Nigeria: A study of listed conglomerates. *Social Responsibility Journal*, 14(2), 389-405.
- Daramola, A., Dawkins, C. & Olatunde, O. (2019). The impact of corporate social responsibility disclosure on financial performance in Nigeria: Evidence from a developing economy. *African Journal of Economic and Management Studies*, 10(2), 257-273.
- Emamoke, J. & Omodero, C. (2021). Corporate social responsibility and firms' financial performance: A study of Nigerian consumer goods companies. *Sciend Journal of Economics and Business*, 3(5), 229-248.
- Olorunnisola, A. & Usman, O. (2023). The effect of corporate social responsibility disclosure index on firm performance of selected sectoral industries in Nigeria. *European Journal of Accounting, Auditing and Finance Research*, 11(2), 36-61.
- Oyewole, P. & Gbrevbie, D. E. (2017). Corporate greening and environmental disclosure practices in Nigeria. *Sustainable Development*, 25(1), 49-59.
- Oyewumi, O. R., Afolabi, H. S., & Adewumi, O. O. (2018). Corporate social responsibility practices and financial performance of listed industrial goods firms in Nigeria. *International Journal of Economics, Commerce and Management*, 6(6), 31-43.