

Effect of Corporate Sustainability Reporting On Financial Performance of Quoted Deposit Money Banks in Nigeria

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Abstract: The financial performance of quoted consumer goods firms is an important indicator of the ability of firms to efficiently utilise available resources, sustain profitable operations, meet the expectations of shareholders, and remain competitive in a dynamic business environment. This study examined firm characteristics on financial performance of quoted consumer goods firms in Nigeria.. Ex-post facto research design adopted by the study and the population constitutes twenty-one (21) consumer goods firms quoted on the Nigerian Exchange Group (NGX) as at 31st December 2025 while filtering criteria was employed in selecting the sample size. Secondary data were extracted from the audited annual reports of the sampled firms from 2016-2025. The study used robust random effect regression as the techniques of analysis using STATA 17.0 software. The findings revealed that firm age has an insignificant negative effect on return on asset of quoted consumer goods firms in Nigeria. However, financial leverage and firm size have a significant negative effect on return on asset of quoted consumer goods firms in Nigeria. The study recommended that firms should establish an optimal debt-equity mix that minimises excessive interest and financial obligations while providing sufficient funds for productive investment.. The study further recommended that Management should ensure that expansion is supported by efficient utilisation of assets, effective cost control and adequate managerial capacity.

Keywords: Firm Age, Financial Leverage, Firm Size, Return on Asset, Consumer Goods Firms.

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Introduction

Financial performance is the process of measuring the results of an organization policies and operations in terms of monetary value. These results are reflected in the firm's profitability, liquidity or leverage. Gauging the financial performance of a business organization allows decision-makers to judge the results of business strategies and activities in objective monetary terms. Normally, financial ratios are used to determine the financial performance of an organization as well to designed and implemented financial management (Palestrini, 2022, Audu *et al.*, 2026). The financial performance tells investors about the general well-being of a firm. They also act as tools for both corporate insiders (management and board members) and outsiders (research analysts and investors) to analyze how well the company is doing especially regarding competitors and identify where strengths and weaknesses lie (Rai & Prakash, 2019).

Globally, financial performance has become a central concern for companies operating in the consumer goods industry because of increasing competition, changing consumer preferences, technological development, supply-chain disruptions and fluctuations in the cost of production. Consumer goods firms operate in highly competitive markets where profitability depends on their ability to convert resources into sales while controlling operating and financing costs. Financial performance therefore provides an important basis for evaluating whether firms are

achieving efficient resource utilisation and creating sustainable economic value. According to Ukoh *et al.* (2024), the consumer goods industry has become increasingly important in emerging markets because population growth, urbanisation, changing consumption patterns and increasing disposable income create expanding demand for fast-moving consumer goods.

Firm characteristics are those incentives variables that affect the firm's decisions both internally and externally. They refer to ownership structure internally and externally, levels of diversification, financial leverage, financial performance and liquidity (Lang & Lundholm, 2021). A firm is required to maintain a balance between liquidity and financial performance while conducting its day to day operations. Liquidity is a precondition to ensure that firms are able to meet its short-term obligations and its continued flow can be guaranteed from a profitable venture. The importance of cash as an indicator of continuing financial health should not be surprising in view of its crucial role within the business (Collett & Hrasky, 2019; Audu *et al.*, 2026).

In Nigeria, firm characteristics constitute important internal factors that may explain differences in the financial performance of quoted consumer goods firms. The major characteristics frequently examined include firm size, firm age, liquidity and leverage. Firm size is particularly important because larger consumer goods companies may benefit from economies of scale, established

brands, wider distribution networks, greater bargaining power and easier access to finance (Idogho *et al.*, 2025). However, large firms may also experience higher administrative costs, organisational complexity and slower decision-making.

One major issue of financial performance among quoted consumer goods firms is declining or unstable profitability. Consumer goods companies depend heavily on the purchasing power of consumers, while their production and distribution costs can increase rapidly during periods of inflation and economic uncertainty. When input costs rise faster than selling prices, firms may experience declining profit margins and reduced returns on assets and shareholders' funds. Dioha *et al.* (2018). Another significant problem is excessive dependence on debt financing. While borrowing provides firms with funds for expansion, production and investment, excessive leverage creates interest and repayment obligations. When firms generate insufficient operating returns, these obligations can reduce net income and expose the firm to financial distress (Garba, 2026). Firm size can create both advantages and disadvantages for financial performance. Large firms may benefit from economies of scale, greater bargaining power, wider distribution networks and better access to finance.

Firm characteristics are important factors that distinguish one firm from another and can influence its ability to achieve sustainable financial performance. Issue associated with firm age is that long-established firms may become rigid and less innovative. Financial leverage presents another important issue. Consumer goods firms require substantial funds for purchasing raw materials, expanding production capacity, maintaining inventories and financing distribution. Debt financing can provide these funds, but excessive leverage exposes firms to high interest payments and repayment obligations (Idogho *et al.*, 2025; Oluwatuyi, 2023).

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The main objective of this study is to examine the effect of board characteristics and financial performance of quoted industrial goods firms in Nigeria. Specifically, the study intends to:

- Evaluate the effect of firm age on return on assets of quoted consumer goods firms in Nigeria;
- Ascertain the effect of financial leverage on return on assets of quoted consumer goods firms in Nigeria; and
- Determine the effect of firm size on return on assets of quoted consumer goods firms in Nigeria.

The following research hypotheses were formulated in their null form for the study:

- **H₀₁:** Firm age has no significant effect on return on assets of quoted consumer goods firms in Nigeria
- **H₀₂:** Financial leverage has no significant effect on return on assets of quoted consumer goods firms in Nigeria.
- **H₀₃:** Firm size has no significant effect on return on assets of quoted consumer goods firms in Nigeria.

Review of Related Literature

Conceptual Framework

Firm characteristics

Firm characteristics are attributes that are peculiar to each company. These attributes define the firm's activities, influence its decisions, and determine the long-term survival of the business. According to Lang & Lundholm (2021), the attributes can be financial and non-financial. They can also be microeconomic and macroeconomic factors. The microeconomic factors are internal and largely controlled by the management. They include factors such as firm size, liquidity, leverage, sales growth, and firm age, ownership structure, level of diversification, financial and profitability. The macroeconomic factors are external and beyond the management's control. They include interest rates, foreign exchange rates, GDP, and industry size.

Firm Age

The age of a firm is defined by Claudio and Urs (2009) is the number of years that elapsed from either the time of listing or that of incorporation. Also, Caudio & Urs (2009) refer to firm age as the difference between a given year of observation and year of a firm's incorporation. Furthermore, Ofuan & Izien (2016) defined firm age in two ways. The first one which referred to it the number of years since the firm is first listed and called the listing one age. The second definition which was in line with the definitions by Ofuan & Izien (2016), and Iyappan & Ganesamoorthy (2017) refer to firm age as the incorporation age, which is measured as the elapsed number of the year from the firm's year of incorporation. There exists a positive relationship between age and financial statement timeliness (Soltani, 2002). This study firm age as the difference between the date of the firm's incorporation and a given year of observation.

Financial Leverage

Leverage consists of various financial instrument or borrowed capital such as margin used to increase the potential return of an investment of a firm. It is that amount of debt used to finance a firm's assets. It is assumed and expected that, the greater

the amount of debt, the more stringent is the monitoring of managers and therefore firms' performance will be superior. Thus, firms with a significant level of debt than equity is said to be highly levered. Khan, *et al.* (2022) found that there is a significant negative relationship between leverage and firm profitability.

Firm Size

Firm size as an internal factor of a company has been considered a very important determinant of profitability. This is because the size of a firm determines its level of economic activities and the possible economics of scale enjoyed by the firm. When a firm becomes larger it enjoys economics to scale and its average cost of production is lower and operational activities are more efficient. Hence, larger firms generate larger returns on assets. (Pathirawasam & Adriana, 2023). The size of a firm cannot be overruled in determining the value of the firm. Larger firms are prone to having a maximized value than smaller firms. Most companies are intent to expand the size of their business operation for them to grow either in revenue, number of employees, or size of facilities. Firm's size is measured in different ways such as asset, employment, sales, and market capitalization. This study measured firm size as natural logarithms of firm's total assets.

Financial Performance

Financial performance is broadly defined as the degree to which a firm effectively generates revenue while managing its assets, liabilities, and obligations to stakeholders and shareholders. It encompasses a diverse set of financial indicators that collectively provide insight into the operational efficiency and economic sustainability of an organization. As Wahla *et al.* (2022) assert, financial performance is not only a critical construct in management research but also a

central measure of a firm's growth trajectory and strategic success. Effective evaluation of financial performance enables firms to assess progress toward their strategic goals, identify areas of operational inefficiency, and support evidence-based decision-making. For external stakeholders including investors, creditors, and regulators financial performance serves as a key indicator of profitability, liquidity, and long-term viability. Consequently, ongoing performance analysis is essential for both internal management and external evaluations of firm value and sustainability.

Theoretical Review

Resource-Based View (RBV) Theory

The Resource-Based View (RBV) Theory was developed from the work of Penrose (1959) and was later advanced by Wernerfelt (1984) and Barney (1991). The theory argues that firms differ in their performance because they possess and control different resources and capabilities. According to Barney (1991), resources can provide a basis for sustained competitive advantage when they are valuable, rare, difficult to imitate, and non-substitutable. These resources may include financial resources, physical assets, human resources, technological capabilities, organisational knowledge and managerial expertise. The RBV Theory is relevant to the study of firm characteristics and financial performance of quoted consumer goods firms in Nigeria because firm characteristics reflect differences in the resources, capabilities and conditions of individual firms. Characteristics such as firm age, firm size and financial leverage can influence how firms acquire, deploy and utilise their available resources. Older firms

may accumulate experience, organisational knowledge and established business relationships, while larger firms may have greater access to financial, technological and human resources. Similarly, financial leverage reflects the firm's financing structure and its use of external financial resources.

Theory relevance to the study

The theory provides a useful theoretical foundation because it connects firm characteristics with differences in financial performance. The study assumes that quoted consumer goods firms possess different levels and combinations of resources, which may contribute to differences in their financial outcomes. Consequently, examining firm characteristics such as firm age, profitability, size and financial leverage provides a means of determining whether differences in firm resources and financing structures are associated with differences in financial performance. The study is anchored on Resource-Based View RBV because the Theory explains that the possession, accessibility and effective utilisation of firm resources can influence the ability of quoted consumer goods firms to generate superior financial performance. This makes the theory appropriate for explaining the relationship between firm characteristics and financial performance.

Empirical Review

Olojede *et al.* (2026) examined the effect of firm characteristics on the financial performance of listed consumer goods companies in Nigeria. The study covered the period 2013–2022 and adopted an ex-post facto research design. Ten listed consumer goods companies were purposively selected, while secondary data were obtained from the annual reports of the sampled companies. Descriptive statistics, correlation analysis and ordinary least squares regression were employed to analyse the data. The study examined firm size, ownership structure and financial leverage as firm characteristics influencing financial performance. The findings showed that firm size had a positive and statistically significant effect on financial performance, indicating that larger consumer goods firms tended to record stronger financial outcomes. Ownership structure also had a positive and significant relationship with financial performance.

Audu *et al.* (2026). Looked at how corporate sustainability reporting affected the financial performance of Nigerian quoted deposit money banks. The study used an ex-post facto research methodology, and the population consisted of all thirteen (13) deposit money institutions that were listed on the Nigerian Exchange Group as of December 31, 2023. The sample size was determined using the census sampling technique. The study's secondary data came from the annual reports of Nigeria's deposit money institutions between 2013 and 2024. The Economic, Social, and Environmental (EES) Index, which was modified from the ESE Disclosure Index, was used to collect data using content analysis. The study revealed that the return on asset of quoted deposit money banks in Nigeria is negatively impacted by both environmental and economic disclosure (ECD). However, social disclosure has a significant positive impact on quoted deposit money banks return on assets in Nigeria.

Audu *et al.* (2026) examined the effect of environmental accounting practices on firm value of quoted oil and gas firms in Nigeria. An ex post facto research design was employed in this study. All ten (10) oil and gas companies listed on the Nigerian Exchange Group as of December 31, 2024, make up the population. Ten (10) oil and gas companies were chosen as the

sample size for this study, which uses a census approach to examine the entire population. The annual reports and accounts of ten oil and gas companies that were quoted on the Nigerian Exchange Group floor across a ten-year period, from 2015 to 2024, were used to create a panel of data. The random effect regression technique was used to evaluate the data. According to this study, economic accounting practices disclosure has a negligible beneficial impact on the share price of listed oil and gas companies in Nigeria, whereas environmental accounting practices disclosure has a large negative impact.

Idogho *et al.* (2025) examined firm characteristics and profitability in Nigerian consumer goods firms, with particular emphasis on the moderating role of firm size. The study investigated the effects of liquidity, financial leverage and firm age on the profitability of listed consumer goods companies in Nigeria, while also examining whether firm size moderates these relationships. An ex-post facto research design was adopted, and secondary data were obtained from the audited financial reports of 16 consumer goods companies listed on the Nigerian Exchange Group, covering the period 2013–2022. Descriptive and inferential statistics were employed, while panel regression was used to test the hypotheses. The Hausman specification test supported the use of the random-effects model. The findings revealed that liquidity had a negative and statistically significant effect on profitability, whereas financial leverage and firm age had positive but statistically insignificant effects on profitability.

Akims *et al.* (2025) investigated the relationship between firm characteristics and financial performance of commercial and service firms listed on the Nairobi Securities Exchange (NSE), Kenya, while also examining the moderating role of tax planning. The study adopted an explanatory research design and used panel data from listed commercial and service firms. Panel regression analysis was employed to determine the effects of firm characteristics on financial performance. The study considered characteristics including firm size, firm age and liquidity, while tax planning was examined as a moderating variable. The findings showed that firm size had a significant effect on financial performance, while liquidity and firm age had statistically insignificant effects. The study further found that tax planning did not significantly moderate the relationship between firm characteristics and financial performance.

Chirchir *et al.* (2024) examined the effect of firm characteristics on the financial performance of non-financial firms listed on the Nairobi Securities Exchange (NSE), Kenya. The study investigated whether asset tangibility, firm growth and firm age influenced the financial performance of listed non-financial firms. The researchers adopted both cross-sectional and longitudinal research designs and structured the data as panel data. The population consisted of 33 non-financial firms listed on the Nairobi Securities Exchange, while secondary data were obtained from annual financial reports, Nairobi Securities Exchange publications, African Listed Companies information and Capital Markets Authority handbooks. The study covered the period 2009–2018. Financial performance was measured using an appropriate profitability indicator, while asset tangibility, firm growth and firm age constituted the major explanatory variables. The findings showed that the selected firm characteristics had varying effects on financial performance, indicating that differences in the physical

asset structure, growth opportunities and age of firms can help explain variations in their financial outcomes.

METHODOLOGY

This study used an *ex post facto* research design to examine the effect of board characteristics on financial performance of quoted industrial goods firms in Nigeria. Since the goal of the design is to estimate the effect of the independent variable on the dependent variable and to analyze the effect of variables, this research design was selected for this study because it aligns with the research objectives. The population of this study consists all of the twenty-one (21) consumer goods firms quoted on the Nigerian Exchange Group (NGX Group) as at 31st Dec. 2025. As attached in appendix A. The study used sixteen (16) consumer goods firms quoted on the Nigeria Exchange Group as at 31st December, 2025 as sample size. The data were obtained from the annual reports and accounts of the sixteen (16) sampled consumer goods firms quoted on the Nigerian Exchange Group (NGX). Secondary data were used due to the quantitative nature of the variables under study. Data covering the period from 2016 to 2025 was extracted after applying a filtering process to NGX-quoted firms, ensuring that only those meeting the specified criteria were included in the analysis. The study utilized panel data regression to examine the relationship between firm characteristics and financial performance. The data were analyzed using Stata 17 software, employing a comprehensive set of statistical techniques to ensure robust and reliable results.

Model Specification

The functional relationship between the dependent variables and the explanatory variables are presented below. The mathematical form of the model is followed by the econometric form of the model. Mathematical form is presented as adopted from Aribaba *et al.* (2022); Wahla *et al.* (2022) as follows

$$ROA = f(FAGE + FLEV + FSIZE + AUDQ) .$$

The econometrically, the model is stated thus:

$$ROA_{it} = \alpha + \beta_1 FAGE_{it} + \beta_2 FLEV_{it} + \beta_3 FLEV_{it} + \beta_4 AUDQ_{it} + e_{it} \text{ -----}$$

----- Model 1

Where: β_1 , β_2 , β_3 and β_4 are parameters estimate.

ROA= Return on Asset

FAGE = Firm Age

FLEV = Financial Leverage

FSIZE = Firm Size

AUDQ = Audit Quality

α = Constant

e = Error term

i = Firms

t = Periods

A-priori expectations: β_1 , β_2 , β_3 and $\beta_4 < 0$

Results and Discussion

Descriptive Statistics

Table 1 Summarises the descriptive statistics of the entire data set.

Variables	Obs	Mean	Std. Dev.	Min	Max
ROA	160	0.081	0.663	-4.2	6.193
FAGE	160	35.812	15.397	4	57
FLEV	160	1.543	4.160	0.054	36.694
FSIZE	160	7.515	1.008	4.758	8.872
AUDQ	160	0.687	0.464	0	1

Source: Researcher's Computation using STATA 17 software (2026)

The descriptive statistics showed that over the period under study, firm characteristics measured by firm age (FAGE), financial leverage (FLEV), firm size (FSIZE) and audit quality (AQ) have positive mean value which ranges from 35.812 for firm age (FAGE), 1.543 for financial leverage (FLEV), 7.515 for firm size (FSIZE) and 0.687 for audit quality (AQ). The detail of the descriptive analysis is discussed below.

Table 1 showed that the return on asset (ROA) has a minimum value of -4.2, a maximum value of 6.193 and a mean value of 0.081 that is within the minimum and maximum values indicating a good spread within the period studied. The table also revealed that ROA has a standard deviation of 0.663 that is greater than the mean, which implies that it had strong growth for the period under review.

Table 2 also showed that firm age (FAGE) has a minimum value of 4, a maximum value of 57 and a mean value of 35.812 that is within the minimum and maximum indicating a good spread within the period studied. The table also revealed that FAGE has a standard deviation of 15.397 that is less than the mean, which implies that it had slow growth during the period under review.

Table 1 equally showed that the financial leverage (FLEV) has a minimum value of 0.054, a maximum value of 36.694 and a mean value of 1.543 that is within the minimum and maximum values indicating a good spread within the period studied. The table also revealed that FLEV has a standard deviation of 4.160 that is less than the mean, which implies that it had low growth for the period under review.

Table 1 further showed that firm size (FSIZE) has a minimum value of 4.758, a maximum value of 8.872 and a mean value of 7.515 that is within the minimum and maximum indicating a good spread within the period studied. The table also revealed that FSIZE has a standard deviation of 1.008 that is less than the mean, which implies that it had low growth during the period under review.

Table 1 further showed that audit quality (AQ) has a minimum value of 0, a maximum value of 1 and a mean value of 0.687 that is within the minimum and maximum indicating a good spread within the period studied. The table also revealed that AQ has a standard deviation of 0.464 that is less than the mean, which implies that it had low growth during the period under review.

Normality Test (Shapiro Wilk)

Table 2: Shapiro-Wilk W test for normal data

Variables	Obs	W	V	Z	Prob>z
ROA	160	0.755	30.131	7.747	0.000

Source: Researcher's Computation using STATA 17 software

Decision Rule: If the p-value (Prob>z) is less than the significance level (typically 0.05), we reject the null hypothesis that the data is normally distributed.

Pearson Correlation

Table 3 Pearson Correlation Matrix for the Data Set.

	ROA	FAGE	FLEV	FSIZE	AUDQ
ROA	1.0000				
FAGE	-0.038 (0.625)	1.0000			
FLEV	-0.210 (0.007)	-0.166 (0.035)	1.0000		
FSIZE	-0.008 (0.913)	0.333 (0.000)	-0.574 (0.000)	1.0000	
AUDQ	0.027 (0.733)	-0.002 (0.979)	0.151 (0.056)	0.348 (0.000)	1.0000

Source: Researcher's Computation using STATA 17 software (2026)

The Pearson correlation analysis presented in Table 3 reveals important relationships between the study variables that merit detailed examination. The relationships coefficient between firm age (FAGE) and a return on asset (ROA) shows -0.038, with a p-value of 0.625. This indicates a weak negative relationship between firm age and financial performance. However, the relationship is not statistically significant at the 5% level because the p-value (0.625) is greater than 0.05. This suggests that increases in firm age are associated with a slight increase in ROA, but the relationship is not strong enough to establish a statistically significant association. The correlation coefficient shows -0.210, with a p-value of 0.007. This indicates a very weak negative relationship between financial leverage (FLEV) and return on asset (ROA). The relationship is statistically significant, as the p-value of 0.007 is substantially less than 0.05. Thus, community financial leverage show a meaningful association with the return on asset of the sampled consumer goods firms.

Variance Inflation Factor (VIF)

Table 4: Variance Inflation factor

Variable	VIF	1/VIF
FSIZE	2.37	0.422
FLEV	1.91	0.522
AUDQ	1.48	0.674
FAGE	1.16	0.863
Mean VIF	1.73	

Source: Researcher's computation using STATA 17 software (2026)

Another test for collinearity is VIF which suggests presence of Multicollinearity if the VIF is more than 10 (Gujarati *et al.* 2012). In the table, the VIF is 1.73 which affirms absence of collinearity in the model. Also, the inverse VIF 1/VIF is less than 1 which also indicate non- existence of collinearity. This confirms the possible use of OLS for the analysis.

The Results of Robust Random Effect Regression Model

Table 5: Random Effect Regression Model Conducted

Variable	Coefficients	z-value	Prob.
FAGE	-0.000	-0.01	0.992
FLEV	-0.068	-4.08	0.000
FSIZE	-0.215	-2.79	0.005
AUDQ	0.294	2.22	0.026
_Cons.	1.607	3.05	0.002
R-sq overall	0.699		
Wald Chi2	17.07		
Prob. >Chi2	0.001		

Note: ***1% and **5% Significance levels

Source: Researcher's Computation using STATA 17 software (2026)

Table 5 above showed that 69% variation of return on asset (ROA) is predicted by the combined effect of firm characteristics represented by firm age (FAGE), financial leverage (FLEV), firm size (FSIZE) and audit quality (AQ) with (Overall R-sq of 0.699). The Wald chi2 value of 17.07 with a Prob>chi of 0.001 signified

The correlation coefficient between return on asset (ROA) and firm size (FSIZE) shows -0.008, with a p-value of 0.913. This represents a weak positive relationship between firm size and financial performance. However, the relationship is **not** statistically significant at the 5% level, since the p-value exceeds 0.05. Therefore, although higher firm size is associated with slightly higher ROA, the correlation is not statistically significant. The relationship between return on asset (ROA) and audit quality (AQ) shows 0.027, with a p-value of 0.733. This shows an almost zero positive relationship between audit quality and financial performance. The relationship is clearly statistically insignificant. This implies that, at the level, differences in audit quality are not associated with differences in ROA among the sampled firms. Finally, the relationships between proxies of independent variables themselves suggest being mild as all coefficients are below the threshold of 0.80 as suggested by (Gujarati, 2003) which indicates there is no presence of multicollinearity in the model.

that the model is fit for the study. This indicated that the model of the study is fit and the independent variables are properly combined and used.

Test of Hypotheses

To examine the effect of firm characteristics on financial performance of quoted consumer goods firms in Nigeria, the formulated hypotheses were tested using a random effect regression model.

- **Ho₁:** s, Firm age has no significant effect on return on asset of quoted consumer goods firms in Nigeria.

The results in Table 5 above showed that FAGE has a z-value of -0.01 with a coefficient of -0.000 and the corresponding p-value of 0.992 indicated that firm age has an insignificant negative effect on return on asset of quoted consumer goods firms in Nigeria for the period under review. Based on this, the null hypothesis which says that firm age has no significant effect on return on asset of quoted consumer goods firms in Nigeria is accepted.

- **Ho₂:** Financial leverage has no significant effect on return on asset of quoted consumer goods firms in Nigeria.

The results in Table 5 above showed that FLEV has a z-value of -4.08 with a coefficient of -0.068 and the corresponding p-value of 0.000 indicated that financial leverage has a significant negative effect on return on asset of quoted consumer goods firms in Nigeria for the period under review. Based on this, the null hypothesis which says that financial leverage has no significant effect on return on asset of quoted consumer goods firms in Nigeria is rejected.

- **Ho₃:** Firm size has no significant effect on return on asset of quoted consumer goods firms in Nigeria.

The results in Table 5 above showed that FSIZE has a z-value of -2.79 with a coefficient of -0.215 and the corresponding p-value of 0.005 indicated that firm size has a significant negative effect on return on asset of quoted consumer goods firms in Nigeria for the period under review. Based on this, the null hypothesis which says that firm size has no significant effect on return on asset of quoted consumer goods firms in Nigeria is rejected.

Table 5 further revealed that the z-value of 2.22 with a coefficient of 0.294 and the corresponding p-value of 0.026 showed that audit quality (AQ) has an insignificant positive effect on return on asset of quoted consumer goods companies in Nigeria for the period under review.

Discussion of Findings

- i. This study revealed that firm age has an insignificant negative effect on return on asset of quoted consumer goods firms in Nigeria. This showed that a decrease in firm age will decrease the return on asset of quoted consumer goods firms in Nigeria, by -0.000.
- ii. This study revealed that financial leverage has a significant negative effect on return on asset of quoted consumer goods firms in Nigeria. This showed that a decrease in financial leverage will decrease the return on asset of quoted consumer goods firms in Nigeria, by -0.068.
- iii. This study revealed that firm size has a significant negative effect on return on asset of quoted consumer goods Firms in Nigeria. This showed that a decrease in

firm size will decrease the return on asset of quoted consumer goods firms in Nigeria, by -0.215.

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