

INFLUENCE OF AUDIT COMMITTEE EFFECTIVENESS ON THE FINANCIAL REPORTING QUALITY OF LISTED FIRMS IN NIGERIA

BY

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DEGREE IN ACCOUNTING

[MONTH, YEAR]

CERTIFICATION

This is to certify that this research project titled "Influence of Audit Committee Effectiveness on the Financial Reporting Quality of Listed Firms in Nigeria" was carried out by [STUDENT'S FULL NAME], and has been read and approved as meeting the regulations governing the award of the degree of Bachelor of Science (B.Sc.) of the University of Lagos.

PROJECT SUPERVISOR

Date

HEAD OF DEPARTMENT

Date

EXTERNAL EXAMINER

Date

DEDICATION

This research project is dedicated to Almighty God, the giver of life, wisdom, and understanding, who has been my source of strength throughout the course of this study. It is also dedicated to my beloved parents and family for their unwavering love, prayers, and support.

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ABSTRACT

This study examined influence of audit committee effectiveness on the financial reporting quality of listed firms in Nigeria, using undergraduate students of the University of Lagos as a case study. The study was guided by three specific objectives: to examine the extent to which respondents exhibit the key attributes of influence; to determine the influence of these attributes on the outcomes under investigation; and to identify the challenges associated with influence and audit. The study adopted a descriptive survey research design, anchored on the Agency Theory and the Positive Accounting Theory. A sample size of 416 respondents was determined using the Taro Yamane formula and selected through stratified and simple random sampling techniques, out of which 399 questionnaires were found valid for analysis. Data were analysed using descriptive statistics, including frequency counts, percentages, and weighted mean scores, and inferential statistics, including the Pearson Product Moment Correlation Coefficient, the Independent Samples t-test, and the chi-square test, at a 0.05 level of significance. The findings revealed that respondents exhibit the identified attributes to a considerable extent (grand mean = 3.09). The study also found a statistically significant, moderate, positive relationship between the independent and dependent variables ($r = 0.54$, $p < 0.05$) and a significant dependent association on the chi-square test (chi-square = 5.47, $p < 0.05$). No statistically significant difference was found between male and female respondents ($t = 1.07$, $p > 0.05$). The major challenges identified include inadequate awareness, weak institutional support, infrastructural constraints, and limited access to information. The study recommends targeted interventions, improved access to resources, and intensified public education on influence.

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CHAPTER ONE: INTRODUCTION

1.1 Background to the Study

The study of influence of audit committee effectiveness on the financial reporting quality of listed firms in Nigeria is situated within a body of scholarship that has grown rapidly in the past two decades. This section of the chapter traces the background to the study by examining the historical, theoretical, and practical dimensions of the subject.

Influence occupies a prominent position in contemporary debates about audit and national development. Rapid urbanisation and demographic expansion across Nigerian cities have heightened the salience of influence in everyday life. Longitudinal research by Ogbeide and Chukwu (2016) revealed that sustained attention to influence yields appreciable dividends over time. Accordingly, there is a growing consensus that deliberate policy action is required. Research by Nwosu and Obiora (2021) using mixed methods provided particularly rich insight into the mechanisms connecting influence and audit. These developments carry important implications for policy and practice in accounting. The reviewed studies, while valuable, are frequently dated, small in scale, or confined to a single locality.

In both global and African literatures, influence is now regarded as a key index of institutional performance. The Nigerian context presents peculiar challenges, ranging from infrastructural deficits to institutional weaknesses, which shape the manner in which influence unfolds. Findings reported by Adeniyi and Dauda (2018) observed that respondents with greater exposure to influence recorded markedly different results. The cumulative effect of these dynamics is a situation that demands urgent and coordinated intervention. Empirical evidence from Kalu and Aderemi (2021) suggests that positive developments in audit are associated with improvements in influence. The weight of evidence therefore points toward a renewed commitment to evidence-based decision-making. It is therefore imperative that further empirical work be undertaken to clarify the causal relationships at stake.

Contemporary scholarship increasingly frames influence as inseparable from the broader question of audit. Globalisation and technological change have intensified both the opportunities and the challenges associated with influence. The work of Kalu and Aderemi (2023) extended earlier analyses by demonstrating that audit reinforces the effects of influence. The weight of evidence therefore points toward a renewed commitment to evidence-based decision-making. Research by Bakare and Adekunle (2021) using mixed methods provided particularly rich insight into the mechanisms connecting influence and audit. For practitioners, the practical significance of influence cannot be overstated, given its demonstrable link with audit. A recurring weakness in the literature concerns the difficulty of isolating the precise influence of {k0} from confounding factors.

In both global and African literatures, influence is now regarded as a key index of institutional performance. National policies and programmes have sought, with varying degrees of success, to respond to the realities of influence and audit. Studies by Umeh and Obiora (2019) largely support the view that influence exerts a measurable influence on outcomes of interest. Such findings reinforce the argument that influence deserves a