Abstract
This paper examined the effect of corporate governance, firm characteristics on forward looking accounting information disclosure in quoted manufacturing companies in Nigeria. The corporate governance is proxied by gender diversity, audit committee size, audit committee meeting frequency and risk management committees. Firm characteristics is proxied by leverage, firm size, audit firm type, and profitability; while forward looking accounting information is proxied by 35 keywords of forward looking accounting information disclosure. Content analyses of the narrative part of annual report of sampled companies were analysed using descriptive and inferential statistics. An ex-post facto research design was adopted for the study. A purposive sampling approach was used to select the sample. Data were obtained from ten (10) years’ (2011-2020) annual reports and accounts of sampled manufacturing firms in Nigeria. Multiple regression to test the hypothesis at a significance level of 5%. The findings showed that corporate governance and firm characteristics jointly and positively significantly affected the forward looking disclosure of listed manufacturing firms in Nigeria (p-value =0.000; <0.05). The findings also showed that audit committee meeting’s frequency and audit firm size is negatively significant while gender diversity, audit committee size, risk management committee and firm size is positively significant on the disclosure forward looking information. The Adjusted R-Square of 0.33 showed that 67% is outside forward looking accounting information disclosure. The study recommends that the management should pay attention to disclosure of forward looking information as current level is below the disclosure level obtainable in other developing nation

Keywords: Attitude, Audit, committee, disclosure, gender, diversity, leverages, profitability, risk management.

1.0 Introduction
The rate at which manufacturing companies in Nigeria are been liquidated without prior signal or warning in the recent past is worrisome and highly challenging. The challenges lie on the
fact that companies which declare and pay dividend based on annual account and financial statement duly certified by the external auditor. Yet such companies go bankrupt within a very short time without warning evidence in annual report undermine the adequacy of disclosure in annual account and financial statement.

To ameliorate this problem, the regulatory authority in Nigeria established minimum information to be disclosed in annual account and financial statement in the form of mandatory information disclosure based on CAMA, IFRS and SEC requirement. Unfortunately, majority of the information included in annual report are backward looking in nature, while very few information tells investor of the future of the company (forward looking) (Ajibola 2017). Investors and other business stakeholders were left with no other option but to request for additional information from managers of the business with the aim of making an informed decision (Ajibola 2017; Kilic & Kuzey 2018). That information requested by firm stakeholder that tell more about future projections of financial matters, plans and objectives for future operations or future economic performance, future survival of the company as well as their ability to generate sufficient income in the future are termed forward looking information (Peter, 2014).

Forward looking accounting information disclosure denotes existing plans and future forecasts that allow investors and other users to measure or predict a firm’s future financial performance (Aljifri & Hussainey, 2007; Rusli, Saleh & Hassan 2020). The main aim of disclosure of forward-looking accounting information is to meet the growing and unending appetite for futuristic information needs of investors about their investment in the organization (Buertey & Pae (2020)). It provides investors additional tools to assess the prospects, risk, and the going concern of firms. Despite the fact that the role of historical data and information is very important and reliable, it is considered insufficient in providing insight into the future operating performance of firms. Reporting of forward-looking information is a critical component of effective communication to the market (PwC 2016). Forward looking information provide an insight into the future of the business (Barry, 2016). It plays a very crucial role to investors and other stakeholders in determining future performance of company, equally serve as a good warning signals to the stakeholders as well as a good guide in taking an informed decision about investment. Requirement of investors differ from one investor to the other yet ultimate goal is wealth maximization. Some prefer investment that give immediate or short term return, example of such investors includes pensioners and investors that are of age. While others prefer long term but stable investment with a very high returns.

Utami, Wahyuni and Nugroho, (2020) opined that forward looking accounting information disclosure plays a very vital role in reducing information asymmetry as it maximum disclosure on annual account and financial statement by assisting stakeholders to make informed decision and ensure they all have the same information at the same time therefore reduce insider dealings. Thus, forward-looking accounting and financial information add value to the company, since it increases the trust of investors and stakeholders. Its availability to users of financial statements regarding the company’s predictions in the future, without having to
predict the condition of the company such that users of financial statements can make maximum use of financial information (Alkhatib, 2014). However, the decision as to the level and or extent of disclosure of forward looking accounting information is vested on the firm characteristics and corporate governance saddled with the responsibility of running the business (PwC, 2016). The ultimate aim of corporate governance is to ensure that stakeholders expectations and target are realized based on the company’s processes and activities so that the company’s vision, mission, and strategies are implemented (Napitupulu et al., 2020). The primary means of ensuring good governance is through the board of directors and the management (Olaoye, Nwaobia & Oshadiya, 2016). Corporate governance has been brought to limelight as a result of the dilemma faced by organizations ranging from large scale misappropriation of funds, excessive executive remuneration and unequal treatment of shareholders to total corporate failures (Olaoye, Nwaobia & Oshadiya, 2016). Unfortunately, due to poor corporate governance and other factors such as misrepresentation of information, directors maximizing their personal wealth at the expense of the organization, conflicts arising as a result of separation of ownership and management, some companies are not able to achieve growth and development. Forward-looking information represents one form of corporate disclosure and can be classified as voluntary disclosure, since it is largely unregulated (PWC, 2007, Engbers 2016)

Despite the unending advantages ascribed to forward looking accounting information disclosure, directors of some organization do not aid its disclosure mainly because they are of opinion that it gives room for competitor to read into the future of the companies (Barry 2016). Others, are of opinion that it can lead to litigation if the forecasted information defers significantly from actual, making investors to make a wrong investment decision (PwC 2016). Many companies fear the increasing demand for forward-looking information will force them to disclose competitively-sensitive information, make profit forecasts or expose themselves to the threat of litigation(PwC2016). Despite the recognition that investors need more forward-looking information very few companies come close to providing the adequate information required, instead companies have continued to take refuge behind historical information (Larry 2016).

In light of the above, main aim of the study is to examine the effect of corporate governance and firm characteristics on the forward looking accounting information disclosure of listed manufacturing companies in Nigeria. Investors and other stakeholders in the business invest time and money reading into the future of their investment in organization with the aim of taking decision appropriately. This study will actually bridge the gap of information need of investors and reduce information asymmetry.

2.0 Literature Review
This section reviews the conceptual, theoretical, and empirical studies. This study examined the corporate governance, firm characteristics and forward looking accounting information disclosure in quoted manufacturing companies in Nigeria.
Forward-Looking Information Disclosure

Financial reporting contains historic, current and futuristic information about financial and non-financial performance of the company (Hidayah et al., 2019; Skouldis et al., 2010). Generally, information in annual account and financial statement can be categorized into two categories, namely backward-looking information and forward-looking financial information (Ball et al., 2012). Ironically, significant number of information contained in annual report is mostly backward looking in nature (Ajibola 2017), mainly because most market participant are interested in what the company is currently making in term of profit for their future decision. Forward-looking accounting information can be used by company stakeholders to make estimates relating to the sustainability and future performance of the company. It is very essential to note that forward-looking financial information if well stated add value to the company, as it increase the trust of investors and stakeholders (Dey Roy & Akter 2020). Forward-looking financial information will be available to users of financial statements regarding the company’s predictions in the future, without having to predict the condition of the company such that users of financial statements can make maximum use of financial information (Alkhatib, 2014). Forward-looking financial information can be in the form of quantitative, qualitative, financial, and non-financial. Furthermore, forward-looking financial information includes estimates of next year’s revenue and cash flows to be managed. Also, there is non-financial information that provides information about risks and uncertainties that might significantly affect the actual results causing differences with projections and plans that have been made (Lata, 2020; Wyatt, 2008).

Corporate Governance

The fact that owners are separated from day to day management of the business necessitate the need for good and sound corporate governance in every listed companies. Essentially, corporate governance in every business environment requires careful, cautious and prudent resources management, protection of assets of the company; maintenance of high ethical standards, ensure customer satisfaction, high employee morale and the maintenance of market discipline (Adeoye & Amupitan, 2015).

Female Gender Presence in the Board

Gender diversity most especially the presence of women on the boards of director has recently received increased attention (Ellwood and GarciaLacalle, 2015; Wachira, 2019). Recent development has shown that women now play a very important role in the solid management and administration of an organization unlike back seat that they took in the past (Wachira, 2019). Though, the effectiveness of board of director through gender diversity was not explained by agency theory but it is expected that, due to their different viewpoint on issues, women contribution can improve the performance of the Board of director (Ellwood and Garcia Lacalle, 2015). Board performance in relation to gender diversity is receiving prominence of recent. However, result of recent study is mixed, for instance Nielsen and Huse (2010) found that effectiveness of board of director improve with the increase in number of
women on the board. Ntim, Lindop and Thomas, (2013) equally found a positive association in female increase in number at board of director level, Bianco et al. (2011) found no relationship, while Allini et al. (2014) found a negative association

Audit committee size:
Establishment of audit committee is one of the method of discharging corporate governance responsibility (Duran and Rodrigo, 2018). Audit committee plays a very important function in ensuring the quality of financial reporting, reviewing and assessing internal control systems and monitoring the relationship between management and the external auditor (NACD, 2000). Independent audit committee members provide better knowledge and quality reporting (Al-Janad, Rahman & Omar, 2013; Wachira, 2019). In essence, most of the corporate governance codes and regulations around the world, such as Cadbury 1992, the Sarbanes Oxley Act 2002, and Saudi Corporate Governance Code 2006, require audit committees to consist of a majority of independent members. Empirical evidence from earlier studies has shown mixed results concerning the effect of audit committees on forward looking accounting information disclosure. Some empirical studies revealed that having a greater number of members on an audit committee had a significant positive influence on forward looking information disclosure, i.e. the greater the number of members on the audit committee, the higher the level of disclosure (Al-Moataz & Hussainey, 2013; Ullah et al., 2018). However, study conducted by Akhtaruddin et al. (2009) and Sallehuddin (2016) indicated that audit committee size had no significant impact on the level of disclosure. Some studies also report insignificant results, including Abbott et al. (2003), Krishnan (2005), Mohamad et al. (2012), and Al Lawati and Hussainey (2020). Overall, there is no general agreement in the literature regarding the association between Audit Committee meetings and Forward looking accounting information disclosure

Audit committee meeting frequency
Company with higher number of Audit Committee Meeting ensure audit committee adequately covers oversight duties effectively and reduce the information asymmetry between large and minority shareholders (Allegrini & Greco, 2013; Katmon & Farooque, 2017; Abad & Bravo, 2018). The frequent meetings probably give rise to better monitoring of risks (Tao & Hutchinson, 2013). Empirical evidence from previous study has shown that audit committee’s meetings frequency improves the corporate disclosure of forward looking accounting information (Al-Maghzom et al., 2016; Abdullah et al. 2017; Alkurdi et al. 2019).

Risk Management Committee
It is the committee formed by board of directors to oversee the risk associated with management policy and global risk framework (Grupta, 2020). Previous research in this area has provided a positive relationship between risk management committee and forward looking information (Abdullai, Shukor & Rahman, 2018). Risk management enhanced risk
reporting and reduce information asymmetry among shareholders, provide practical forward-looking information and improves better risk management practices (Sharif & Shakar, 2020).

**Leverage**

Relationship between leverage and Forward Looking Accounting Information Disclosure have been divergently viewed by expert in this area and empirical evidence from prior studies are quite varied. For instance, Mahboub (2019); Menicucci (2018); Menicucci and Paolucci (2017) and Mohammadi and Jamali (2017) found no evidence of any relationship between Leverages and Forward Looking Accounting Information Disclosure. Outcome of their studies shows that leverages has an insignificant influence on the level of disclosure of forward looking information.

However, result of Mousa and ElAmir (2018) and Aljifri and Hussainey (2007) indicated a significant positive association between leverages and the level of disclosure of forward looking accounting information. Reasons adduced for the positive association could be the fact that, highly leveraged firms deal with greater agency costs resulting from excessive auditing fees; so, they do disclosure higher level and qualitative information to the market justifying the audit fees to the company stakeholders (Mahboub, 2019); Alkhatib, 2014). Additionally, as a way of declining risk premium, firms with higher leverages is likely to disclose more forward looking accounting information (Aljifri and Hussainey, 2007); restorations to gratify their creditors’ information needs (Wang and Hussainey, 2013); and to restore confidence to their shareholders (Aljifri and Hussainey, 2007).

However, outcome of the studies of Kılıç and Kuzey (2018); Zhafarina (2017) indicated a negative association between Leverage and Forward Looking Accounting Information Disclosure.

**Firm Size**

*One of the most widely used factor in assessing the influence of corporate governance and firm characteristics on the extent of company forward looking accounting information disclosure is Firm size. Main reason ascribed to this is that larger firms have acquire more resources overtime which give them opportunity to have enough fund to satisfy the higher cost of information disclosures compared with smaller ones with limited resources with lesser demand for information from stakeholders (Aljifri & Hussainey, 2007). Also, most larger firm are quoted on the floor of the stock exchange, with shareholder spread across the globe as a result they need to disclose more information that would suit their numerous stakeholder endless information need (Frías-Aceituno, Rodríguez-Ariza, & Garcia-Sánchez, 2013). Additionally, it has empirically proven that larger firm have moderately stable earnings performance, larger companies tend to disclose more information regarding potential future earnings (Kent & Ung 2003). Supporters of legitimacy theory ague that larger firms need the approval of stakeholders to maintain or enhance their corporate image or status (Umoren, Udo & George 2015).*
Furthermore, a good number of studies conducted in this area have found a positive relationship between firm size and forward-looking accounting information disclosure (Kilic and Kuzey 2018; Al-Najjar & Abed 2014; Liu 2015). Duran and Rodrigo (2018) observed that larger firms have the advantage of visibility and larger impact on society but they usually come under severe scrutiny by information seeking stakeholders, which makes them overly dependent on stakeholders for social legitimacy. The results of the study conducted by Kilic and Kuzey (2018) showed that firm size significantly and positively impact forward-looking disclosures.

**Profitability**

*According to signalling theory, companies will be more inclined to signal their quality to investors when company performance is good (Watson et al., 2002, Uyar & Kilic 2012). In addition, management of a profitable firm may wish to disclose more information to the public to promote a positive impression (Alsaeed, 2006).*

**Auditor Type**

*Auditor type in this study is categorized into two: These are Auditors of international standard popularly known as Big four and other local practices. Big four are firm that are of international standard with diversity of experience and offices in minimum of two countries (Wallace et al., 1994; Uyar & Kilic 2012). They might use the information disclosed by their clients as a means of signaling their own quality as well (Inchausti, 1997). Hence, clients of Big-4 audit firms are expected to disclose higher levels of information. Aljifri and Hussainey (2007) and Wallace et al. (1994) suggest an insignificant association between auditor type and corporate reporting. By contrast, Dey, Roy and Akter, (2020) find a significant positive association between an audit firm’s global affiliation and disclosure quality.*

2.1 Review of Literature.

There has being good number of research into forward looking accounting information disclosure in advance country but very scanty in developing nation of the world. Few of them are discussed below;

Romano, Taliento, Favino and Netti, (2019) examine the relationship between firm determinants and forward-looking risk disclosure in the Italian stock market. Non-financial sector of Italian listed companies were taken as sample for the study. Regression model was run to investigate the main influence of firms’ features on the forward-looking risk disclosure. Result of the study indicate that firm size and independent directors are positively related to forward-looking risk information disclosure. However, other company’s characteristics are not statistically significant. It can be inferred from the study that, large firm with special reference to sized are likely to disclose more forward-looking information capable enough to reduce information asymmetry and attract potential investors. Also, firm that are bigger in size and stronger financially with solid board of governance will want to improve their reputation in the market by being transparent and therefore disclose more information voluntarily since they are stronger financially than their smaller counterpart that are still struggling for survival. Findings
from this study added significantly to the accounting literature and it is useful to regulatory authority and policy makers when deciding information quality that will promote transparency in the annual accounts and financial statement.

Dey, Roy and Akter, (2020) examine the level and extent of forward-looking accounting information disclosure and identify the determinants driving the forward looking disclosure in the context of an emerging and developing economy. Top thirty listed firms quoted in Bangladesh stock market were sampled using their annual account and financial statement for the period between 2013 and 2017. To identify the practice of forward looking disclosure content analysis approach was used to examine each forward looking keyword actually disclosed in annual report of all listed firms sampled and multiple linear regression analysis was performed to identify the determinants of forward looking information disclosure. Study revealed that board size, auditors of international standard, leverage and profitability utilized as variables of corporate governance and firm characteristics impacted positively on the disclosure of forward looking information in all the sampled companies. However, firm size and listing age have a significant negative association with forward looking information disclosure. Also, female representation in the boardroom in term of gender diversity has an inverse relationship on forward looking information disclosure of companies under review. However, major drawback of this research work lies in sample size that is too small may limit the generalizability of the findings. Besides that, the study can be of immense help to the regulators and policymakers in adding new reporting model in regulations.

Khalid, (2014) argued that profitable firms disclosed more information as it is a way of improving their reputation in the market and attract potential investors. The study investigates the level of disclosure of forward-looking information in companies listed on the Jordanian stock exchange. The study adopted disclosure index methodology approach by awarding one for a disclosed item and zero if undisclosed. Sector type divided into manufacturing and services, company size, leverage, profitability, and auditor type categorized into with or without international affiliation are the five variables used in this study. This information will assist company shareholders to make informed decision about the company's future performance. The level of will be determined by extracting financial and other information using company annual reports. Findings from the study shows a mixed result, in both sectors considered; profitability seems to be the most effective variable from the outcome of the research, while the auditor type and the total assets found to a significant impact on forward looking information disclosure only in the industrial sector. The study concludes that profitable companies tend to disclose more information to the market than unprofitable company as it adds value to the company. Also, large sized companies audited by internationally affiliated audit firms disclose more information than those who are not been audited by internationally affiliated audit firms due to the aggressive. These findings will hopefully assist in improving factors that have an impact on the disclosure levels of the forward-looking information disclosure of listed Jordanian companies.
Waweru, Memba and Njeru, (2016) examined the relationship between forward-looking information disclosure and financial performance of non-financial firms listed in the Nairobi Securities Exchange. Cross-sectional research design was used for the study. A sample of 45 firms from the non-financial sector of Nairobi Stock Exchange was taken. The study used secondary panel data contained in the annual reports of non-financial firms listed in NSE, Kenya. The data was extracted from the NSE handbook for the period 2011-2015 and from companies’ websites. This was complemented by semi-structured questionnaires which were given to 45 Chief Executive Officers. Data analysis was done by both descriptive (measures of central tendency and dispersion) and inferential statistic (multiple regression analysis and correlation analysis) with help of Statistical Packages of Social Sciences (SPSS version 22). The results revealed that there was a significant positive linear relationship between forward-looking information disclosure and firm financial performance measured by Tobin’s Q of listed non-financial firms in Kenya. It can be inferred from the results of this study that listed non-financial firms should voluntarily disclose their forward-looking information to all their stakeholders.

Baroma (2013), test the relationship between the firm characteristics (market-related variables) and the extent of voluntary disclosure levels (forward-looking disclosure) in the annual reports of firms listed on Egyptian Stock Exchange. The results of the study revealed that audit firm size is significantly positively correlated in all the three years used for the study with the level of forward-looking disclosure. Conversely, other variables such as industry type variable was found to be statistically insignificant in term of association with the level of forward-looking information disclosed in the annual reports for all the three years.

Annisa and Elok, (2017) examine the effect of corporate governance, as measured by the effectiveness of the board of commissioners, the effectiveness of the directors, as well as the concentration of ownership to the level of mandatory forward-looking disclosures in the annual report. This study also aims to test the effect of mandatory forward-looking disclosures in the ability to anticipate future earnings in the current stock price. The results of the study support that the effectiveness of directors is positively associated with the level of forward-looking disclosures and ownership concentration is negatively associated with the level of forward-looking disclosures. However, this study found no significant relationship between the level of forward-looking disclosure and the effectiveness of the board of commissioners. The study also found no association between the level of forward-looking disclosures and the ability to anticipate future earnings in current stock prices.

Alqatamin, Ali-Aribi, Zakaria and Arun, (2017) examine the effect of Chief Executive Officers’ characteristics on the level of Forward Looking Information disclosure. Sample size was made up of two hundred and one non-financial institution firms listed on the Amman stock exchange. Disclosure index was used to measure the level of forward looking information in the study. Random-effect and panel data regressions was equally used to
examine the relationship between Chief Executive Officers’ characteristics and the level of forward looking information disclosure. Annual reports of 201 companies between 2008 and 2013 were used for the study. Findings from the study show that the chief executive officer age has a significant negative relationship with the level of forward looking information, whereas gender and overconfidence have a significant positive association with it. Practical implications. The results will be useful for regulators, investors, auditors and lenders to make better decisions.

Jibril, Aminu, Aminu and Adam, (2021) investigate firm specific characteristics and the voluntary disclosure information of listed manufacturing firms in Nigeria stock exchange. Data for the study were collected from secondary source by means of the annual reports and account of sampled firms. 38 (thirty-eight) manufacturing firm listed on the Nigeria stock exchange was sampled for the study for a period of ten years 2009-2018. 97 disclosure items were used as disclosure index drawn from the companies’ background general information, corporate strategic information, corporate governance information, financial performance information, risk management information, forward looking information, human intellectual information, the outlook of competitive environment and corporate social responsibilities. The findings of the study reveal that a positive and significant relationship exists between firm size, firm age, leverage, and voluntary disclosure of the study firms. The study also shows a positive and insignificant association between ICT and voluntary disclosure.

María and Francisco (2020), investigated the effect of the characteristics of the board of directors on the disclosure of forward-looking accounting information, by considering different measures of forward looking information. Outcome of the study show that the quality and quantity of disclosure of forward looking accounting information is positively influenced by the number of independent boards of director. It is quite obvious from the result of the study that independent directors are aware of the need to increase the quality of this kind of information, that helps analyst and other market participants to forecasts and hence, market transparency. This evidence will have direct economic implications on both shareholders and regulators, who might influence forward looking disclosure strategies by managing the composition of the board of directors.

2.2 Theoretical and Empirical Review

This study is underpinned on the stakeholder and resource dependency theories. **Stakeholder Theory:** The stakeholder theory stresses the interconnected relationship between a business and its customers, investors, employees, shareholders, suppliers, business partners, contractors and other stake in the organization. In essence, the stakeholder theory emphasizes the need for managers to be accountable to all stakeholders, even outside existing suppliers of capital to the entity. Stakeholder theory was first described by Freeman in 1984. Stakeholder theory suggests that every organization strives to create value for all stakeholders as a reason for its existence. Tom (2021), explain that stakeholder theory leads to higher productivity through employee satisfaction, improved retention from happy customers and
finally improved talent acquisition from a positive image in the society. Major criticism by expert in stakeholder theory is the fact that interest group are just too broad and in-fact endless to be realistically managed by business managers (Guthrie 2021).

**Resource Dependency Theory**

Resource dependency theory (RDT) concentrates on the role of board of directors in providing access to resources needed by the firm or securing essential resources to an organization through their linkages to the external environment. Resource dependency theorists provide focus on the appointment of representatives of independent organizations as a means for gaining access in resources critical to firm success. For example, outside directors who are partners to a law firm provide legal advice, either in board meetings or in private communication with the firm’s executives that may otherwise be more costly for the firm to secure (Hillman, Canella & Paetzold, 2000 cited in Abdullah & Valentine, 2009). It has been argued that the provision of resources enhances organizational functioning, firm’s performance and its survival (Daily et al. 2003). According to Hillman et al. (2000) cited in Abdullah & Valentine (2009), directors bring resources to the firm, such as information, skills, access to key constituents such as suppliers, buyers, public policy makers, social groups as well as legitimacy. Directors can be classified into four categories of insiders, business experts, support specialists and community influential. First, the insiders are current and former executives of the firm and they provide expertise in specific areas such as finance and law on the firm itself as well as general strategy and direction. Second, the business experts are current, former senior executives and directors of other large for-profit firms and they provide expertise on business strategy, decision making and problem solving. Third, the support specialists are the lawyers, bankers, insurance company representatives and public relations experts and these specialists provide support in their individual specialized field (Abdullah & Valentine, 2009). In brief, the RDT recognizes that the survival of organizations is dependent on directors’/managers’ reasoned and intentional allocation of resources to innovative activities required of the firm by customers and investors. Thus how managers compete and win resources (internal and external) and deploy such resources to productive engagements have impacts on their exchange-based power and control and thus significant consequences on continuity of funding sources and survival and growth of the entity (Nwaobia, 2015).

**3.0.Methodology**

Population of the study consists of 52 (fifty-two) listed manufacturing companies on the Nigeria Stock Exchange as at 31st December 2020 (NSE Fact book 2021). Samples size consist of 41 companies that were selected using purposive sampling techniques. Purposive sampling techniques was adjudged appropriate as it ensure sample cut across all subsectors of listed manufacturing firm in Nigeria. Firm listed and those delisted during the period of ten years considered for the study were excluded from the sample so as to have a balance data. The study used annual report of the sampled listed manufacturing company which are reputable and recognized in the industry. Source of
data which is annual account, were readily available on the database of the Nigeria Security Exchange. The study covered four hundred and ten years of observations for the period, 2011 – 2020. Data were drawn from the annual reports and accounts of sampled companies and analyzed using the multiple regression method. F-statistic was used to assess the individual effect of the explanatory variables on the criterion variables at 5% level of significance while the F statistics was used to test the overall goodness-of-fit and acceptability of the model from a statistical perspective, also at 5% level of significant.

**Model Development**

The aim of this study is to examine the effect of corporate governance and firm characteristics on forward looking accounting information disclosure of listed manufacturing companies in Nigeria. To achieve this, two major types of variables are used in this study. These are, the independent variables and dependent variables. The independent variable is the corporate governance and firm characteristics. While the dependent variables in this study is to be measured by checklist of the forward looking accounting information disclosure.

Thus,

\[ Y = f (X) \]

\[ Y = \text{Dependent Variable - Forward Looking Accounting Information Disclosure (FLAID)} \]

\[ X = \text{Independent Variables - Corporate governance (CG) and Firm Characteristics (FC)} \]

\[ Y = y_1 \]

\[ X = x_1, x_2, x_3, x_4, x_5, x_6, x_7, x_8 \]

\[ y_1 = \text{FLAID} \]

\[ y_1 = f (x_1, x_2, x_3, x_4, x_5, x_6, x_7, x_8) \]

\[ x_1 = \text{gender diversity} \]

\[ x_2 = \text{audit committee size} \]

\[ x_3 = \text{audit committee meeting frequency} \]

\[ x_4 = \text{risk management committee} \]

\[ x_5 = \text{leverage} \]

\[ x_6 = \text{firm size} \]

\[ x_7 = \text{audit firm size} \]

\[ x_8 = \text{profitability} \]

\[ \text{FLID} = f (\text{GDIV, ACSIZE, ACMFREQ, RMCT, LEV, FSIZE, AFS, PBT}) - 1 \]

\[ \text{FLAID}_{it} = \beta_0 + \beta_1 \text{GDIV}_{it} + \beta_2 \text{ACSIZE}_{it} + \beta_3 \text{ACMFREQ}_{it} + \beta_4 \text{RMCT}_{it} + \beta_5 \text{LEV}_{it} + \beta_6 \text{FSIZE}_{it} + \beta_7 \text{AFSIZE}_{it} + \beta_8 \text{PFBT}_{it} + \mu \]

Thus, in line with the stakeholder theory adopted for this study and prior studies, the models are specified and justified.

**4.0 Data presentation, analysis and discussion of findings**

This section addressed the panel data regression results used to assess the impact of corporate governance and firm characteristics on forward looking accounting information disclosure of listed manufacturing companies in Nigeria.

Table 3.3 Explanation and measurement of variables
**Sign**  
Dependent Variable  
Proposed measurement

| **FLAID**  
Forward-looking Accounting Information Disclosure | Proxy as 1 for presence and 0 otherwise for any of the key work of FLAID (appendix 1) |

**Corporate Governance variables**

| **GDIV**  
Gender diversity | Measured as the number of female directors divided by total board size (%) |

| **ACMSIZE**  
Audit Committee Meeting Size | Measure as the total number of member of audit committee on each meeting. |

| **ACMFREQ**  
Audit Committee Meeting Frequency | This represent the total number of audit committee meeting. |

| **RMC**  
Risk Management Committee | Proxy as 1 for presence and 0 otherwise for risk management committee |

**Firm characteristics Variables**

| **LEV**  
Leverages | Valued as the proportion of total debt to total assets. |

| **FSIZE**  
Firm size | Measured as a natural log of total asset owned by the firm. |

| **PFBT**  
Profitability | Measured as a profit before tax divided by total asset. |

| **AFS**  
Audit firm Size | Measured with a dummy variable. Big-4; 1; otherwise “0” for local audit firm. |

Researchers’ calculation of variables 2021

**Test of Hypothesis**

**Research Objective**: To assess the effect of corporate governance and firm characteristics on the forward looking accounting information disclosure of listed manufacturing companies in Nigeria firms.

**Research Question**: To what extent do corporate governance and firm characteristics affect forward looking accounting information disclosure of listed manufacturing companies in Nigeria firms?

**Research Hypothesis**: Corporate governance and firm characteristics has no significant effect on the forward looking accounting information disclosure of listed manufacturing companies in Nigeria firms.
Table 4.1 above shown the result of descriptive statistics. The minimum and maximum disclosure of forward looking accounting information in Nigeria manufacturing companies quoted on the Nigeria Stock is 0.00% and 69% respectively. While mean percentage is 28.09%. Evidencing that the disclosure level of forward looking accounting information in annual report is far below average. Investor cannot make informed decision based on the current disclosure level which can lead to information asymmetry as information that get to the market are not adequate enough especially those that relate to future decision making.

Also, corporate governance variable such as Gender diversity, Audit committee size, Audit committee meeting frequency and risk management committee meeting minimum and maximum stand at 0.000,2.000,1.000, 0.0000 and 66.670,9.000,7.000 and 1.000 respectively. It implies that some company does not comply at all which few once complies above average. While, descriptive statistics of firm characteristics shows mean of 58.990,7.195,0.635 and 4.058 for leverage, firm size, audit firm size and profitability.
F-Stat/Wald Stat  
Hausman Test  
Testparm/LM Test  
Heteroskedasticity Test  
Serial Correlation Test  
Cross sectional Dep

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<td>14.358 (0.000)</td>
</tr>
</tbody>
</table>

Source: Researcher's Work (2022)

Post-Estimation Results
Interpretation

This model evaluated the effect of corporate governance, Firms characteristic on forward looking information disclosure index of manufacturing firms in Nigeria. In order to determine the most appropriate method of estimating the regression Model 3c among pooled OLS, fixed effects and random effects results as presented in Table 4.2, the Hausman test was carried out; and based on the result of the test with the p-value of 0.0593 is greater than the 5 percent level of significance chosen for the study reveals that Radom effects is the most appropriate estimator according to its null hypothesis which states that there is presence of unsystematic difference in the model coefficients; thus, the study rejected the null hypothesis.

Although, the Hausman test result revealed the appropriateness of Random effects; however, the confirmation of the result of the Hausman test was carried out using LM Test as this test helps to decide the appropriate model between the Random effects and Pooled OLS regression. The results of the LM Test with p-value of 0.000, which is less than the significance level of 5 percent; confirms the appropriateness of Random effects in estimating the model 1c.

The model was tested for heteroskedasticity, cross sectional dependence and serial correlation to examine the robustness of the model. Cross section dependence was carried out on the series; the null hypothesis of the test is that the residuals of the model are uncorrelated over time. The test was carried out using Pesaran CD test and the result with the p-value of 0.00, which is less than the 5 percent level of significance selected for the study is an indication that the standard errors of the model are correlated over time, this implies that the model has cross-sectional dependence problem.

Heteroskedasticity test helps to examine whether the variations in the residuals of the model are constant over time or not; the null hypothesis states that the standard errors of the model are constant over time. This test was carried out using Breusch-Pagan/Cook-Weisberg test and the result of the heteroskedasticity with p-value of 0.2461 which greater than the 5 percent level of significance selected for the study is an indication of absent of heteroskedasticity; that is the residuals of the model are constant over time.

Also, serial correlation test was carried out to determine the existence of autocorrelation among the residuals and the coefficients of the model. According to Baltagi, (2021), autocorrelation
problem causes the standard errors of the coefficients to be smaller than their actual value and the coefficient of determination (R-squared) to be higher than normal. Furthermore, the study conducted serial correlation test for the series. The null hypothesis of the test states that there is no serial correlation (no first order of autocorrelation). The test was carried out using Wooldridge test and the result with p-value of 0.002 which is less than the significance level of 5 percent is an indication that serial correlation problem does exist in the model.

Conclusively, the diagnostic tests revealed that there is presence of serial correlation and cross-sectional dependence problems in the model. As a result of this; the Random Effect Regression with Driscoll-Kraay standard errors was used to estimate the effect of corporate governance and firm characteristics on the forward looking accounting information disclosure index of listed manufacturing companies in Nigeria

\[ \text{FLAID}_t = -59.50 + 0.121 \text{GDIV}_t - 0.837 \text{ACSIZE}_t - 0.293 \text{ACMFREQ}_t + 0.670 \text{RMCT}_t - 0.008 \text{LEV}_t + 11.828 \text{FSIZE}_t - 5.647 \text{AFS}_t - 0.060 \text{PFBT}_t + \mu_1 \]

Model Ic assessed the effect of corporate governance and firm’s characteristic on Forward Looking Accounting Information Disclosure Index. The result showed that Gender diversity, Audit committee Size, Risk management committee and firm size had positive effect on Mandatory Disclosure Index, this is indicated by its coefficient GDIV = 0.121, ACSIZE = 0.837, RMCT = 0.670 and FSIZE=11.828. This result is consistent with our a priori expectation. Although, audit committee meeting frequency, leverages, audit Firm Size and profitability exerted a negative effect on Forward Looking Accounting Information Disclosure Index of manufacturing firms in Nigeria (ACMFRQ =-0.293, LEV = -0.008, AFS = -5.647, PFBT = -0.060). This result is not consistent with our a priori expectation as it was expected that all independent variables to exert positive effect on Forward looking accounting information disclosure index in manufacturing firms.

Model I further showed that 32.92% variation is caused by corporate governance and Firm Characteristic while 67.08% was not captured in the model. Conclusively, the Probability of F-statistics which measure the Joint effect of the model stood at 0.000 lower than the 0.05 level of significance chosen for the study, indicating that all the proxies of corporate governance and Firm Characteristic measured by Gender Diversity, Audit Committee Meeting Frequency and Risk Management Committee significantly, Leverage, Audit Firm size, profitability and audit committee firms size had joint significant effect on Forward Looking Accounting Information Disclosure Index of manufacturing firms in Nigeria. Hence, the study rejects the null hypothesis which states that corporate governance and Firm Characteristic does not have any significant effect on Forward Looking Accounting Information Disclosure Index in manufacturing firms in Nigeria but rather the alternative Hypothesis
4.1 Discussion of Findings
The results in model one investigated the effect of corporate governance, Firms characteristic and forward looking accounting information disclosure index of listed manufacturing firms in Nigeria and found out that corporate governance and Firm Characteristic measured by Gender Diversity, Audit committee size, Audit Committee Meeting Frequency and Risk Management Committee, Leverage, firm size Audit Firm size and profitability had joint significant effect on forward looking accounting Information Disclosure Index of manufacturing firms in Nigeria base on the result of F-statistics.

Despite the fact that the overall model is jointly significant, two of the firm attributes measured (leverage and profitability) regression results show insignificant relationship with forward looking accounting information disclosure when tested in isolation or individually. While gender diversity, audit committee size, risk committee meeting and firm size show a positive and significant effects on forward looking accounting information disclosure index. Audit committee meeting frequency and audit firm size regression results show negative and significant effects on forward looking accounting information disclosure index when tested in isolation. However, leverage and profitability indicated a negative but insignificant effects on forward looking accounting information disclosure index in Nigerian Manufacturing firms.

The above result is in consonant with the results of prior studies of Mohammadi & Jamali, (2017). This study investigated empirically the factors affecting the disclosure of information that predicts the future status of companies. 86 companies listed in the Tehran Stock Exchange during the period of 2008-2014 were sampled and considered for the study. It was found that corporate size, profitability, and type of audit had a positive impact on the disclosure of predictive future information, while financial leverage did not.

However, the result of the current study is contrary to the study carried out by Mohboub, (2019). The study examined empirically the factors that affect the extent to which forward-looking accounting information is disclosed in the narrative sections of the annual reports of a sample of 29 Lebanese commercial banks for the period 2008-2017. Outcome of the study indicated that three of the bank specific characteristics i.e., size, leverage and age have an insignificant association with the level of forward-looking information disclosure; whereas profitability, liquidity, and capital expenditures are positively related to the level of forward looking information disclosure.

5.0 Conclusion
The objective of this work was to examine the effect of corporate governance and firm characteristics on forward looking accounting information disclosure in listed manufacturing companies in Nigeria. The findings revealed that the components of corporate governance and firm characteristics (gender diversity, audit committee size, audit committee meeting frequency, risk management committee, leverage, firm size, audit firm type and profitability) jointly and significantly impacted the forward looking accounting information disclosure in
annual report of listed manufacturing firm in Nigeria. Individually, gender diversity, audit committee meeting size, risk management committee and firm size is positively significant with forward looking accounting information while audit meeting frequency, leverage, firm size and profitability is negatively related to forward looking accounting information disclosure. The adjusted $R^2$ was .3292 implying that factors that caused changes outside forward looking accounting information disclosure of listed manufacturing firms in Nigerian was 67.08%.

5.1 Recommendations
The management of listed manufacturing firms in Nigeria should pay attention to forward looking accounting information disclosure, this is because outcome of descriptive statistics shows that average disclosure of forward looking information stand at 28% which is far lower than benchmark in developing nation. Implication of this is that inadequate information is being sent to the market and likelihood of information asymmetric is possible. The regulatory authority should make forward looking accounting information disclosure part of mandatory disclosure to make enforcement easy as the current disclosure is at the discretion of the management.

REFERENCES


Larry. F (2016). A foot in the past and an eye to the future; The importance of forward-looking information in company reporting. PricewaterhouseCoopers LLP.


