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Moderating Effect of Risk Management Committee on the Relationship Between Corporate Governance Characteristics and Financial Reporting Quality Among Listed Non-Financial Firms in Nigeria

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Abstract: *This study examined the moderating effect of risk management committee on the relationship between corporate governance characteristics and financial reporting quality among listed non-financial firms in Nigeria from 2013-2023. Audit committee characteristics were explained using audit committee gender diversity, audit committee financial expertise, audit committee size and audit committee independence. Data collected for this study were solely from secondary sources. Data were extracted from the Published Audited Accounts and Financial Statements and the Annual Reports of the listed non-financial firms in Nigeria. The study adopted the use of multiple regression to analyse the study. the study concluded that risk management committee is indeed a viable governance strategy aimed at improving the financial reporting quality through the scrutiny of the assessment and disclosure of risks inherent in the company. From the findings and conclusion, the study recommended that Board of Directors of non-financial companies should increase their monitoring capacity towards discretionary accruals by making the entire audit committee members experts in accounting and finance.*

Keywords: *Risk Management Committee, Audit Characteristics, Financial Reporting Quality*

Introduction

The quality of financial reporting is one of the major concerns among stakeholders of quoted companies across the globe. This is because financial reporting has long been a critical technique of conveying to outsiders the results of activities and events that have occurred within the business. It enables them to use such data to examine the economic performance and financial positions of firms, as well as to drive economic decisions. As a result, every user of financial information expects that the data will assist him in assessing the reporting entity's health and making sensible financial decisions.

However, recent events, particularly a series of corporate scandals involving Enron, Worldcom, Parmalat, and several Nigerian firms, including Cadbury Nigeria Plc in 2006, Afribank Nigeria Plc in 2009, and Intercontinental Bank Plc in 2009, have cast serious doubt on the quality of financial reports circulating in a corporate environment and their ability to meet the expectations and needs of users (Elyasiani *et al.,* 2017). Convergence

of accounting standards, harmonization of accounting standards, economic crises, increased disclosure requirements, and other factors have resulted in an over-concentration on financial reporting. In addition, the rise in accounting scandals around the world in the early twenty-first century has shown flaws in financial reporting quality. The value of accounting reporting is determined by the quality of financial reporting. A clear and complete definition of financial reporting quality is in high demand all across the world. High quality financial reporting is vital for influencing users' investment decisions and improving market efficiency.

It is premised on this background that this study focuses on the moderating effect of risk management committee on the relationship between corporate governance attributes and financial reporting quality of listed non-financial firms in Nigeria.

In recent decades, the significance of corporate governance has increased exponentially. Sound corporate governance is considered to boost the value of companies as it can greatly reduce issues with agencies (problems resulting from the misbehavior of executives), and boost trust among investors (EL-Nabi, 2016),

This study examines**:**

i. The moderating effect of risk management committee on the relationship between audit committee characteristics and financial reporting quality of listed non-financial firms in Nigeria.
ii. Examine the moderating effect of risk management committee on the relationship between ownership structure and financial reporting quality of listed non-financial firms in Nigeria.

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Literature Review

Concept of Corporate Governance

Corporate governance can be defined as a set of control mechanisms that an organization adopts to prevent or constraint potential self-benefiting managers from engaging in activities that harm the interests of stakeholders and shareholders (Larcker & Tayan, 2011). The laws, policies, and directives introduced by corporate governance affect a corporation's way of controlling and monitoring. It also enhances transparence and clarity in the relationship between the corporation and its stakeholders to obviate conflicting interests (Buallay et al., 2017).

Corporate governance is defined as the system by which business corporations are directed and controlled. Effective application of corporate governance is expected to yield good financial reporting practices. The Organisation for Economic Cooperation and Development (OECD, 2004) revealed that corporate governance is the major tool in the improvement of economic efficiency, growth and enhancements of investor's confidence. Also, corporate governance in organisations often attracts a reward from the capital market as it attracts more investment in such companies. The OECD principles focus on the protection of shareholders right, treatment of shareholders in an equitable manner, stakeholders' role in corporate governance, disclosure and transparency and board responsibility.

Corporate governance is the set of processes, customs, policies, laws and institutions affecting the way a corporation (or company) is directed, administered or controlled. Corporate governance comprises the long-term management and oversight of the

company in accordance with the principles of responsibility and transparency (Organisation of Economic Co-operation and Development, 2010). Corporate governance has been a recent source of interest to investors, policy makers and corporations especially after recent corporate scandals. Corporate governance has become an issue of global significance because its improvement is widely recognised as one of the essential elements in strengthening the foundation for the long-term performance of corporations (Ibrahim et al., 2010).

Corporate governance is a structure and process applied by the company to improve the achievement of business objectives and optimize enterprise value for all stakeholders. Implementation of good corporate governance is indispensable to fulfill the trust of stakeholders as an essential condition for the industry to develop properly and aims at realizing stakeholder value. World Bank (2006) defined corporate governance as the structures and processes for the direction and control of companies; in other words, corporate governance is the relationship that exists amongst the management, board of directors, controlling shareholders, minority shareholders and other stakeholders.

Concept of Risk Management Committee

Risk management is regarded as one of the major phases of Corporate Governance, and corporate governance is a function of the board of directors. A reason that prompted Ramlee and Ahmad (2015) to believe that risk management is designed to increase the ability of the board of directors to oversee the risks bedeviling the organization. Hence, risk management committee is the committee of the board of directors that is responsible for the formulation, enforcing, regulating and evaluating the system of risk policy framework of the organisation and also to set the risk appetite for the firm, which will invariably reduce the risk and improve the firm performance. However, poor risk management and corporate governance were underscored to be the major factor behind the series of company scandals and corporate failures (Quon et al., 2012).

The Risk Management Committee assists in the oversight of the risk profile, risk management and risk reward strategy as determined by the board. Their function include among others; review and approval of the companies risk management reviewing the adequacy and effectiveness of risk across the company and the adequacy of prevention, detection and reprinting mechanism, review laws and regulatory requirements that may impact the company’s risk profile

Empirical Review

Risk Management Committee, Board Characteristics and Financial Reporting Quality

Hewage and Amarasekara (2022) investigated the relationship between selected corporate governance characteristics and the level of financial reporting quality in Sri Lanka. The study was carried out using secondary data obtained through published annual reports from 209 companies listed in the Colombo Stock Exchange from 2017 to 2020 including 836 firm-year observations. Six selected corporate governance characteristics (board size, board independence, CEO duality, audit committee size, audit committee independence, and audit committee accounting expertise) and the level of financial reporting quality has been evaluated by the absolute value of discretionary accruals using Panel linear regression analysis. It was found that a significant positive relationship between the audit committee accounting expertise and financial reporting quality, while a significant negative relationship was found between board size and

financial reporting quality. However, the other remaining corporate governance characteristics did not significantly influence the level of financial reporting quality. Overall, this analysis highlights the importance of having a comparatively smaller board size and composition of the members in the audit committee with financial and accounting backgrounds to enhance financial reporting quality and transparency.

Hsu and Yang (2022) analyzed whether COVID-19 affects the financial reporting quality of companies and whether corporate governance has a mitigating effect. Using data from UK listed companies, it showed that the quality of companies' financial reporting has been lower during the pandemic. It also found that a larger board helps to mitigate the negative impact of COVID-19 on financial reporting quality, although the study found no mitigating effect for board independence and CEO duality. It provides additional evidence on the impact of COVID-19 on financial reporting quality using a strong country-level governance setting. It is also the first study to analyze the mitigating effect of corporate governance on financial reporting quality during the COVID-19 pandemic. The study is subject to some limitations. First, because data on accounting variables are annual, it treats the year 2020 as the pandemic period. The results may not fully present the impact of the pandemic. Similarly, it is possible that other contemporary events, such as Brexit, may affect the results. Furthermore, this paper focuses on the UK data and this single-country approach allows us to prevent results from being affected by other country-level factors.

Hasan et al. (2022) investigated the impact of corporate governance on financial reporting quality in Pakistan and the UK. Three accrual-based models are used to analyse financial reporting quality for a sample of 1550 firm-year observations, including 78 Pakistani firms and 77 UK firms, for the period 2009-2018. The analysis shows that board size has a negative impact on financial reporting quality while foreign ownership has a positive impact for Pakistani and UK firms. It also showed that board independence has a positive impact on financial reporting quality of Pakistani firms, while board meetings frequency and audit committee independence have a negative impact. It makes no such observation for UK firms. In addition, the analysis shows that board gender diversity and ownership concentration negatively affect financial reporting quality of UK firms. It makes no such observation for Pakistani firms. Due to the study's focus on Pakistani and UK firms, the findings may not be generalizable to other developed and emerging economies.

Umar et al. (2022) examined the moderating effect of institutional ownership on corporate governance mechanism and financial reporting quality of listed Non-financial firms in Nigeria for a period of eleven years (2010-2020). Published annual reports were used as secondary data from the sampled firms. The population consists of 113 non-financial firms listed on the Nigerian Stock Exchange as at 31st December 2020 and the sample size was made up of 61 Non-financial firms having the required data. This study adopted multiple regression technique in analysing the data extracted. The study concluded that the moderating effect of institutional ownership was significant on the relationship between board independence and financial reporting quality but insignificant on the relationship between board size and financial reporting quality.

Omondi (2021) evaluated the relationship between governance and financial reporting quality in NGOs in Nairobi County using a descriptive design. The population of the study was 285 registered NGOs in Nairobi County between 2016 and 2020. The sample size consisted of 74 NGOs selected using The Slovin's Formula. Systematic sampling was utilized to choose the appropriate sample size where every 4th NGO was selected limiting

sampling bias. The research was based on secondary sources of data from annual reports by NGOs. The published reports were sourced from the NGO board website. Average firm data was used for analysis. Various tests were done to check on the assumptions of the regression model. They included normality, heteroskedasticity, and multicollinearity. The descriptive statistics, correlation and regression analysis were used for analysis generated through SPSS. From the regression analysis, board composition showed a positive and significant effect on financial reporting quality. Correlation analysis indicated that a positive and significant relationship exited between board composition and financial reporting quality. From the regression, board diversity showed a positive but insignificant effect on financial reporting quality of NGOs. From the correlation analysis showed a positive relationship between board diversity and financial reporting quality. Board independence showed a positive effect on financial reporting quality. Correlation analysis showed a positive and significant coefficient. Firm size showed an insignificant positive relationship with financial reporting quality. Board independence showed a positive effect on financial reporting quality. Correlation analysis showed a positive and significant coefficient. Firm size showed an insignificant relationship with financial reporting quality.

Qawqzeh *et al.* (2021) investigated the mediating effect of audit fees as an indicator of audit quality on the board components, the directors' remunerations, and the financial reporting quality in the Jordanian context. This study used Panel Data of 180 listed firms in Amman Stock Exchange from 2009 to 2017. The collected data were analyzed using the multiple regression analysis and Causal Steps Method. The results showed that the larger size of the board and independent directors on the board have a negative and significant influence on financial reporting quality, whereas the board expertise and directors' remuneration have a significantly positive impact on financial reporting quality, as supported by the Agency Theory. Regarding the audit quality, the results revealed that the board size, the board independence and the directors' remunerations have a positive and significant effect on the audit fees as an indicator of the audit quality. In contrast, the board expertise has significantly negative impact on the audit fees, and the audit quality has a partial mediating effect on the relationship of board components with financial reporting quality.

Ogbeide et al. (2021) examined corporate governance mechanisms and financial reporting quality of listed commercial banks in Nigeria. The population of the study consists of all listed commercial banks on the stock exchange as at 31st December 2018. Samples of nine (9) listed commercial banks were selected and data were collected over the period 2008 to 2018. Descriptive statistics and panel Least Square regression were used for the data analysis. The findings reveal that board size and audit committee were negative and exerted significant impact on financial reporting quality of listed commercial banks while board independence is significant and exerts a positive influence on financial reporting quality of listed commercial banks in Nigeria. Female directorship does not have a significant relationship with financial reporting quality of listed commercial banks in Nigeria.

Ajibulu et al. (2021) examined six characteristics representing the board of directors (size, independence, meetings, tenure, gender and expertise) of board of directors and their impact on quality of financial reports. A correlational research design was used to examine influence of board quality of financial reports using 12 listed deposit money

banks. Finding suggests board shows enormous influence on quality of financial reports. Specific findings showed that financial reporting quality will be higher if the size of the board of directors is increased. However, board tenure and expertise cause leads to poor financial reporting quality. In addition, the study did not find evidence that board independence, meetings and gender improve quality of financial report. Among other recommendations, the study suggest that the number of board members should be increased since evidence has shown that it enhances financial reporting quality, while the tenure of board members should be reduced since it decreases financial reporting quality.
Watti and Ramdany (2020) examined the effect of political connections, the effectiveness of the board of commissioners and audit committees, and the quality of external audits on the quality of the company's financial statements. Using a sample of large companies in the Indonesian capital market as many as 871 samples. Regression analysis panel data was used for this analysis. It was found that political connections negatively effect on the quality of financial reporting. The quality of financial reporting of a politically connected firm is lower than those of politically unconnected firms. The effectiveness of the board of commissioners and audit committee is not effective enough in carrying out the internal monitoring function in the company. The influence of political connections can contribute to weak corporate governance and contribute to the low quality of financial reporting. The results of this study are expected to be a reference for investors to determine investment preferences in politically connected companies or not.
Amah (2020) examined the impact of board independence on financial reporting quality of Pharmaceutical companies in Nigeria. A total of 10 Pharmaceutical Companies were selected for the study. Time series data were obtained from annual report of Pharmaceutical companies from 2006 -2019. Accrual model was used to compute the proxy for financial reporting quality; while board independence is calculated as the ratio of Non-Executive to executive directors on the board. Regression analysis was used to analyze the data. The study indicated that board independence has significant impact on financial reporting quality of Pharmaceutical companies in Nigeria.
Osemy (2020) examined the association between improving the quality of financial reporting process and achieving positive changes in operating income and comprehensive income by means of applying corporate governance requirements in the banks of the KSA. The research showed a positive relationship and statistically significant association between achieving corporate governance requirements in the Saudi banks (especially the existence of audit committee, board size, number of board committees) and improving the Saudi banks profitability, and consequently, refining the value of financial reporting process. The study found that board size is statistically significant with Comprehensive Income; this means that larger boards, and Number of Board Committees which indicates that the change in the dependent variable is due to many factors including achieving corporate governance requirements in Saudi banks especially board size and number of board committees.

Risk Management Committee, Audit Committee Characteristics and Financial Reporting Quality

Arshad et al. (2022) investigated the impact of corporate governance on financial reporting quality in Pakistan and the UK. In this paper, three accrual-based models are used to analyse financial reporting quality for a sample of 1,550 firm-year observations, including 78 Pakistani firms and 77 UK firms, for the period 2009–2018. The analysis

shows that board size has a negative impact on financial reporting quality while foreign ownership has a positive impact for Pakistani and UK firms. It also shows that board independence has a positive impact on financial reporting quality of Pakistani firms, while board meetings frequency and audit committee independence have a negative impact. The study made no such observation for UK firms. In addition, the analysis shows that board gender diversity and ownership concentration negatively affect financial reporting quality of UK firms. This study makes no such observation for Pakistani firms. Due to the study's focus on Pakistani and UK firms, the findings may not be generalizable to other developed and emerging economies.
Ogbaisi and Ezuem (2021) examined the impact of board size, board independence and frequency of audit committee meetings on financial reporting quality. The researchers used a random sample size of 42 firms from the 169 firms quoted on the Nigerian Stock Exchange as at 31st December, 2020. Data filtering technique was employed to arrive at the sample size after meeting certain criteria. The study covered a 5 year period, ranging from 2016-2020. The data were analysed using Multiple Ordinary Least Square. The findings revealed that board size had a positive insignificant impact on financial reporting quality in Nigeria. Board independence on the other hand, had a positive significant impact on financial reporting quality in Nigeria. The findings further revealed that frequency of audit committee meetings had a positive significant impact on financial reporting quality in Nigeria.

Sukma and Bernawati (2019) investigated the effect of audit committee characteristics on audit quality. The characteristics of the audit committee used in this study are the number of audit committees, number of audit committee meetings, audit committee education background, and audit committee experience while audit quality is measured using audit fees. This study uses manufacturing companies listed on the Indonesia Stock Exchange in 2016-2018 with 70 observation data and uses OLS regression. The results of this study indicate all four Audit Characteristics, only size and experience significantly influence audit quality. It was found that audit meetings and education do not significantly affect audit quality. Likewise, with the education that cannot ensure the capabilities possessed by members of the audit committee. Overall, the effectiveness of the audit committee has no significant effect on audit quality.

Shatnawi et al. (2019) examined the moderating effect of enterprise risk management on the relationship between audit committee characteristics and corporate performance under Jordanian context. The findings demonstrated that the enterprise risk management as a moderating variable plays a significant role on the relationship between the audit committee characteristics and corporate performance in Jordan. The study also found that the combination of audit committee existence and activities, adequate audit committee size and independence, internal and external accounting expertise, as well as Muslim directors, considerably reduce the fraudulence reporting, crises, misstatement, and financial disclosure in Jordan.

Adagye (2019) ascertained the impact of audit committee gender diversity on financial reporting quality of quoted deposit money banks in Nigeria. It is an ex-post facto research by design. The population of the study is all the Fifteen (15) quoted deposit money banks on the Nigerian Stock Exchange as at 31st December, 2016 which was narrowed down

through a judgmental sampling technique to ten (10). Data relating to financial reporting quality were sourced from the annual reports and accounts of the sampled banks. For analysis, the study adopted the Multivariate Regression Techniques, Pearson correlation coefficient was also used to test the relationship between gender diversity and financial reporting quality. The study found that gender diversity does not relate to financial reporting quality of Banks in Nigeria.

Alkilani et al (2019) investigated the role of audit committee characteristics on modified audit opinion in the context of Jordan. Four audit committee characteristics such as expertise, independent, meeting, and size were studied on modified audit opinion. The total sample of 117 listed companies on the Amman Stock Exchange was studied. The relationship among modified audit opinions, audit committee expertise, independent, meeting, and size as independent variables were analyzed using logistic regression. The audit committee characteristics are projected to effectively improve the quality of financial reporting, and thus, decrease the prospect of corporate in obtaining modified audit opinion. The findings according to the listed companies from 2012 to 2017 in Jordan showed that the number of meetings held has no significant effect on the modified audit opinion.

Risk Management Committee, Ownership Structure and Financial Reporting Quality

Amah and Ekwe (2021) investigated the effect of corporate governance structure on financial reporting quality of quoted pharmaceutical companies in Nigeria. A total of ten pharmaceutical companies were used from 2006-2019. Data were extracted from the annual report and accounts of the pharmaceutical companies in Nigeria. Financial reporting quality was calculated using Dechow and Dicher's (2002) model. The Hausman test of multiple regression was employed to test the hypotheses. The study found that board independence has a positive effect on the financial reporting quality, board compositions have a positive and significant effect on financial reporting quality, board meeting has negative association on the financial reporting quality of pharmaceutical companies in Nigeria. Ownership structure also reflects positive and significant effect on financial reporting quality of the selected companies. The number of times the risk management committee meets yearly as an indicator of corporate governance structure yield a positive influence on the financial reporting quality of selected pharmaceutical companies. Gender composition and numerical strength of audit committee have positive and significant effect on financial reporting quality.

Yousra and Youssef (2021) examined the effectiveness of corporate governance mechanisms in restraining earnings management among the listed firms of the Casablanca Stock Exchange. In this study, the study used the modified Jones model to calculate discretionary accruals. Our sample comprises 27 firms covering the period from 2016 to 2018, analyzed by the EGLS estimator. The empirical results show that gender diversity, board size, and audit committee independence reduce the managers' discretion. Simultaneously, it found a significantly positive association between earning management and different corporate governance characteristics such as CEO duality, institutional investor ownership, and family ownership. It did not find any evidence that audit committee size, ownership concentration, and managerial ownership significantly influence discretionary accruals. This study's main limitation is that it did not address the

direction of discretionary accruals, which does not allow us to detect the motivational aspects behind earnings management.

Ame *et al*. (2020) examined the impact of ownership structure on reported earnings quality of quoted consumer goods companies in Nigeria. The study covered the period of nine years from 2011 to 2019. The study used Ex post-facto research design. The total number of listed consumer's goods firms as at 31st December, 2019 were twenty-three (23) out of which a sample of fifteen (15) was used for the study. Secondary data from annual reports and accounts were employed. Multiple regression was adopted as a technique of analysis. The results showed that managerial ownership has a negative insignificant impact on reported earnings quality. The study also showed that institutional ownership and ownership concentration have a positive significant impact on reported earnings quality. While family ownership has a positive insignificant impact on reported earnings quality.

Almaqtari *et al*. (2020) examined the impact of corporate governance mechanisms on financial reporting quality under Indian GAAP and Indian Accounting Standards. A sample of 97 companies listed on the Bombay Stock Exchange is selected. Corporate governance mechanisms have been considered as independent variables, and financial reporting quality is the dependent variable. Corporate governance is measured by board effectiveness (board size, independence, diligence, and expertise), audit committee attributes (size, independence, diligence, and expertise), foreign ownership, and audit quality. Descriptive statistics, correlation, and OLS regression are conducted to estimate the results. The results reveal that board characteristics and audit committee attributes, except for audit committee diligence, have a significant effect on financial reporting quality. However, the impact of board diligence and audit committee attributes is negative. Foreign ownership has no contribution to financial reporting quality, but audit quality has a significant effect. The findings of the study have considerable implications for regulators, policymakers, managers, investors, analysts, and academicians. More emphasis should be given to compliance with Indian Accounting Standards, and an oversight body for compliance with Indian Accounting Standards should be established.

Methodology

This study adopts the positivist research philosophy and a descriptive *ex post facto* research design. The study population consists of 106 non-financial firms listed on the floors of the Nigerian Exchange Group (NEG) as at 31st December, 2023, in the 10 sub-sectors comprising of agriculture, conglomerates, construction/real estate, consumer goods, Healthcare, ICT, Industrial goods, Natural resources, Oil and Gas and Services sectors. This study employs panel multiple regression to analyze the data. This tool is appropriate for this study because it seeks to establish a causal relationship between multiple independent variables and a dependent variable. The data for the study is panel in nature (that is cross-sectional and time series data). The model for the study is represented as:

$$FRQ_{it} = \beta_0 + \beta_1 ACGD_{it} + \beta_2 ACFE_{it} + \beta_3 ACS_{it} + \beta 4ACIND_{it} + \beta_5 RMC_{it} + \beta_6 ACGD_{it}*RMC_{it} + \beta_7 ACFE_{it}*RMC_{it} + \beta_8 ACS_{it}*RMC_{it} + \beta_9 ACIND_{it}*RMC_{it} + e_{it}$$

Where:

ACGD = Audit Committee Gender Diversity; ACFE = Audit Committee Financial Expertise; ACS = Audit Committee Size; ACIND = Audit Committee Independence; $\beta 0$ =

Parameters estimated; e = an error term assumed to satisfy the standard OLS assumption. β1- β9 = Partial derivatives or the gradient of the independent variable.

Table 1: Measurements of Variables

Variables	Definition	Measurements	Source
FRQ	Financial Reporting Quality	Proxies grounded on properties of reported earnings, comprising of accruals quality (earnings management), earnings smoothing, earnings persistence and the value relevance	(Dechow & Dichev, 2002; Francis & Schipper,1999; Ohlson, 1995)
ACGD	Audit committee Gender Diversity/Female director	Proportion of female directors to the total number of directors in the audit committee	(Huang et al., 2011; Ittonen, et al., 2015)
ACFE	Audit Committee Financial Expertise	Total number of audit committee members with financial expertise	(Carcello et al., 2006; Mustafa & Youssef, 2010)
ACS	Audit Committee Size	Number of audit committee members	(Fodio et al., 2013; Saleh et al., 2005)
ACIND	Audit Committee Independence	Total number of independent directors on the board	(Fodio et al., 2013; Rahman & Ali, 2006)
RMC	Risk Management Committee	The number of directors serving on the RMC	(Yatim, 2010; Ng et al., 2012; Tao & Hutchinson, 2013)

Source: *Developed by the researcher (2023)*

Result and Discussion

Table 2: Descriptive Statistics

Variable |	Obs	Mean	Std. dev.	Min	Max
frq |	490	.1870754	.122498	-.812479	.504019
acgd |	490	2.120408	.6264385	1	3
acfe |	490	2.534694	.5646546	1	3
acs |	490	6.018367	.812523	4	9
acind |	490	2.389796	.6042606	1	3
rmc |	490	3.879592	.7290298	2	6
acgdrmc |	490	8.24898	2.976948	2	15
acfermc |	490	9.844898	2.948159	2	18
acsrmc |	490	23.34898	5.455776	8	45
acindrmc |	490	9.240816	2.831167	2	15

Source: STATA 16 output, 2025

The result shows that risk management committee negatively and significantly moderates the relationship between audit committee financial expertise and financial reporting quality of listed non-financial companies in Nigeria. This assertion is supported by the coefficient of -0.0003 and a p-value of 0.000 which is statistically significant given that the p-value is less than 0.05.

Furthermore, the regression result for audit committee size shows a coefficient of -0.0003 and a p-value of 0.000. The import of this result is that risk management committee as a moderator negatively and significantly moderates the relationship between audit committee size and financial reporting quality of listed non-financial companies in Nigeria. Given that the p-value is less than 0.05, the study rejects the null hypotheses which states that risk management committee does not have a significant moderating effect on the relationship between audit committee size and financial reporting quality of listed non-financial companies in Nigeria

This study again hypothesized that risk management committee has no significant moderating effect on the relationship between audit committee independence and financial reporting quality of listed non-financial companies in Nigeria. The result of the regression analysis provided evidence from the coefficient and p-value of -0.0003 and 0.000 respectively that risk management committee as a moderator has a negative but significant effect on the relationship between audit committee independence and financial reporting quality.

The findings of this study are indeed beneficial to the boards of directors are set to benefit since the research provided key aspects of corporate governance that they should consider while performing their roles.

The findings of this study will be of great value to the Government and regulatory agencies such as Financial Reporting Council of Nigeria and Securities and Exchange Commission towards enhancing accountability as well as quality of financial reporting by ensuring effective audit committee is instituted

Conclusion and Recommendation

From the result audit committee showed that risk management committee has insignificant moderating effect on the relationship between audit committee gender diversity and financial reporting quality of listed non-financial companies in Nigeria. The study, therefore, concluded that audit committee gender diversity does not lead to improved financial reporting quality irrespective of whether such companies have independent risk management committee or not. The study again asserted that risk management committee has a significant moderating effect on the relationship between audit committee financial expertise and financial reporting quality of listed non-financial companies in Nigeria. This study concluded that audit committee financial expertise is a necessary factor in determining the level of financial reporting quality when the companies have in place a risk management committee. The study found that the relationship between audit committee size and financial reporting quality is significantly influenced risk management committee. The size factor can be compatible with increasing financial reporting quality because the larger the size of the committee the more competencies are embedded in the committee to monitor management towards effective financial reporting. The study also concluded that audit committee independence has significant relationship with financial reporting quality listed non-financial companies in Nigeria when moderated with risk management committee. This conclusion aligns with the assertion that risk

management committee add more value to information content of financial reports making them better predictor of financial reporting quality.

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