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DO AUDIT COMMITTEE ATTRIBUTES ENHANCES ASSURANCE SERVICES OF LISTED MULTINATIONAL FIRMS?

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ABSTRACT
Credibility and quality of audited corporate financial report domiciles in the assurance services rendered by the professional experts. Divers of these experts of assurer of subject matter exist in the corporate world that enhance and add value of information to the quality of financial statements. Thus, this study's focal point is to investigate enhancement service rendered by the Audit Committee Attributes (ACA) as its services affect the quality of financial statements of multinational companies. The study employs desktop and ex post facto research designs to dissect the data. The result reveals that ACA metrics such as Ardit Committee Size (ACS) and frequency of Audit Committee meeting (FACM) have adverse influence on the quality of financial statement, on the second side Audit Committee Gender Diversity (ACGD) has enhancement influence on the quality of audited financial report.

Keywords: Assurance services, attestation, credibility, credence, multinational
JEL classification M41, G21

1. INTRODUCTION
One mechanism that has been widely used globally in corporate establishments to monitor the financial reporting process and corporate governance is the establishment of an Audit Committee (AV) comprising a majority of independent directors. AC is a key and crucial instrument for developing a sound and functional corporate governance system in a company. In Nigeria, the functions and composition of the AC are clearly spelt out in the company and allied matters act of 2020(CAMA, 2020) as amended. The AC is a committee of an organization's board of directors which is responsible for oversight of the process of financial reporting, selection of the independent auditor and receipt of audit results both internal and external.

The AC is often regarded as one of the crucial and influential participants of corporate governance because it assists the board of directors in discharging their responsibilities in overseeing corporate management (Bedard & Gendron, 2010; Li, Mangena, & Pike, 2012). AC is also seen as an important step in building market confidence and encouraging a more stable, long-term international investment flow (Bergstresser & Philippon, 2006). The composition of AC comprises non-executives in an institution (Chau & Leung, 2006). As indicated by Core (2010), AC is a group of people chosen from a board of directors and shareholders granted the power to ensure that auditors remain independent.

Bernardi and Threadgil, (2010) stated that AC is important in the operations of an organization since it was established to oversee the financial reports audited and by external auditors. The major aim of the AC formation is to enhance auditing and question the board of executives on the issue of internal controls, accounting. Carcello (2012) stated that ACs should be made up of independent individuals and shareholders with some possessing experience and financial knowledge. This is because the corporate failures experienced in the world have been on a steady rise.

Thus, the focus has been shifted to the governance of corporate and the effectiveness of ACs, boards, disclosure, mechanism internal controls and auditor's independence. Globally corporate internal governance has been strengthened by ACs. In the past, the ACs were non-mandatory instruments that ensured accountability. According to Raghunandan and Rama, (2011) affirmed that most of the nations have instituted laws and regulations for corporations to institutionalized AC, with the underscore to broaden their functions. Carcello and Neal (2011) observed that ensuring transparent and accurate disclosures by ACs is a difficult and hectic task given the expectations by stakeholders, and regulators that increase the scrutiny of the auditing process; increased responsibilities in managing risks; and more attention streamlined towards the prevention of fraud.

As recognized by the International Accounting Standards Board (IASB), the AC members are expected to have an appropriate degree of financial literacy. In the same vein, the Nigerian SEC Corporate Governance Code of 2018 as amended provides that members of the committees should have basic financial literacy and should be able to read financial statements. It even goes ahead to recommend that at least one Board Member of the Committee is expected to be financially literate in Accounting or Financial Management. (SEC, 2018) as amended. In response to apparent increases in financial reporting misstatements and at the behest of the Securities and Exchange Commission (SEC), the New York Stock Exchange (NYSE) and the National Association of Securities Dealers (NASD) formed the Blue-Ribbon Committee (BRC) on enhancing the usefulness of corporate ACs . The BRC's purpose was to develop recommendations aimed at improving financial reporting by strengthening the AC's role as a financial monitor. In October 1999, the BRC issued a summary statement of its recommendations (BRC 1999). The BRC's recommendation addresses AC member independence, financial literacy and expertise, and committee size, as well as increased AC autonomy over external auditor engagement.

There are limited numbers of studies in Nigeria that investigate the effect of AC attributes and assurance services of multinational companies in Nigeria. This study would be limited to a few mechanisms of measuring the AC which is the independent variable which includes AC size, frequency of AC meetings and AC gender diversity although there are other mechanisms of measuring AC. In respect to assurance services which is the dependent variable, the proxy variable used is the qualification of reports. To bridge the gap in the existing literature of AC and assurance services of multinational public companies in Nigeria. The remainders of the study are as follows: section two houses the insightful literature review and hypotheses predictability, next section deals with methodology, section four talks about the data analysis and discussion of the findings, section five is on the conclusion and recommendation section six deals with implication in practice and lastly is on future researches.

2. INSIGHTFUL LITERATURE AND HYPOTHESES PREDICTABILITY

2.1 Conceptual Review

2.1.1 Assurance Services

Assurance services are defined by the AICPA as "independent professional services rendered with the primary motive to improve the quality of information and add credence to the content of the subject matters, or its context, which enhance credibility and confidence of decision makers". Assurance engagement do provide attestation on the comprehensive report, or a specific subject matter area. The potential demand for assurance services has also been recognized by IFAC, which issues standards on assurance engagements. IFAC describes it as the services rendered by professional by attesting to the credibility of information contain in a subject matter, with view of that the information comply with the suitable criteria" (IFAC/IAASB, 2003a)
Assurance service demonstrates in the area of corporate social responsibility (CSR) assurance engagements for large international companies. And other assurance providers still maintain and credence of a significant in information. For individuals or corporate firms to rely on financial statement prepared by management and to make the types of economic or monetary or pecuniary decisions (e.g. investment) such subject matter (financial statement) are meant to provide information with a high or depress of credibility, it is crucial that information disclosures are credible. The best and vital manner to earns the credibility of financial statement disclosures is to have professional experts to verified or assured (Nugent & Simnett 2007).

ISAE 3000 recognizes that competencies in both assurance and the related subject matter are necessary to undertake these assurance engagements. Assurance services that is rendered by professional from accounting field backgrounds have the competencies and proficiency to render these assurance engagements, and they are equipped and supported by a detailed code of ethics practices which emphasizes the cruciality objectivity and independence and other professional fundamental principles of core ethical concepts of International Federation Accountants (IFAC) (IFAC 2013). Pflugrath, Roebuck and Simnett (2011) argue that it is much easier to acquire subject matter expertise than assurance expertise. While some outside the accounting profession argue that assurers from accounting backgrounds do not have the necessary subject matter knowledge to complete these engagements, the accounting profession points out that many of its members come from diverse backgrounds, and also has standards in place to address the need to assemble multidisciplinary teams with both the assurance and subject matter competencies necessary to complete these engagements (Huggins et al. 2011).

2.1.2 Qualification of Reports

Appointed authors are expected to express their opinions on the audited financial reports. The auditor's report is a written letter from the auditor containing the opinion of whether a company's financial statements complied with generally accepted accounting principles (GAAP). When it is ascertained that the financial statement complied fundamental require by laws, regulation and GAAP such report is titled unqualified report or clean report. But, where all above criteria are violated in any respect, the audit report is titled qualified report that is unclean report. The auditor's report is important because stakeholders require an audit of a company's financial statements before it is useful in all ramifications. Hence, assurance service is what the appointed authors carry out on financial report such companies. The auditing service rendered by audit firm is attestation on the financial statement prepared by management the service of audit firm is to add credibility to the information in the financial statement prepare by management.

2.1.3 Concept of Audit Committee

AC is an oversight committee under the main board of directors. The board of directors has delegated the responsibility of the corporate reporting process to the AC (Bedard & Gendron, 2010; Li et al., 2012). The primacy of the existence is to ensure the ultimate monitoring the activities of auditors in the process of their auditing process. AC is authorized to assume inquiries in incidences it suspects some fouls in any accounting issues or when there are serious financial problems within the purview of firms. AC is a statutory corporate governance mechanism introduced to curb financial reporting manipulation therefore enhanced the quality and the credibility of financial statement reports. Nevertheless, the usefulness of the AC is a function of its attribute's possession (Ormin, Tuta & Shadrach, 2015). The effectiveness of AC in supervision of the financial reporting process is found to be largely determined by several AC characteristics, including AC independence, financial and accounting expertise (Klein 2002; Bronson et al. 2009; Carcello & Neal 2003; Abbott et al. 2004; Feng 2014). The quality of AC services may be affected by auditors' capability to carry out required audit processes and the approaches helping in identifying failures in the corporate accounting and thus, reporting freely on these closures or bankruptcies (Al-Dalahmeh et al., 2017). The AC independence (i.e. unhindered function), the size, number of meetings, and accounting expertise are important in this case (Toumeh & Yahya, 2017; Suprianto et al., 2017). AC meeting frequency is concerned with the number of meetings held by the committee during the year. AC performance is associated with its meeting frequency. These were measures used to determine AC characteristics. The core mandate of the AC is to ensure enhancement of the report of the auditors and report the assurance service of the subject matter.

2.1.4 Audit Committee in Nigeria

In Nigeria, the AC is brought into existence by the Companies and Allied Matters Act (CAMA, 2020) as amended and its subset of the board. The auditor appointed for the firm is to provide an audited report to the shareholders at the annual general meeting., before, it is required to same report to AC, established by the section (section 359 (3), CAMA, 2020) as amended. The AC consists of an equal number of directors and shareholders have representatives in the committee (subject to a maximum number of six members) and it has the obligation to scrutinize the auditor's report and make recommendations thereon to the annual general meeting as it may deem fit. Subject to such other additional functions and powers that the company's articles of association may stipulate, the objectives and functions of the AC shall be to; Firstly, ascertain whether the accounting and reporting policies of the company are in alignment with legal requirements and ethical practices. Secondly, review the scope and planning of audit exercise, thirdly, review the findings on management matters in conjunction with the external auditor and departmental responses to the issues raised. Fourthly, continually review the effectiveness of the company's accounting and internal control systems. Fifthly, make recommendations to the Board on the appointment, removal and remuneration of the external auditors; and lastly, authorize the internal auditor to carry out investigations into any activities of the company which may be of interest or concern to the committee. (SEC359 (6), CAMA 2020)

2.1.5 Audit Committee size

The size of the AC is the total members of a team selected by the corporate governing body to oversee the financial management and disclosure (Moses, 2016). The exact number of AC members is very vital as this affects the dedication of the members to the monitoring, management and identifying of fraudulent behaviours. A larger size of the AC can improve factual differences throughout the equity compliances. Anderson et al. (2012) stated that the capability of the AC oversight task arises when the number of its members grows. More directors on the AC are more likely to bring diversity of views, expertise, experiences and skills to ensure effective monitoring (Bedard & Gendron, 2010). Hence, a higher number of AC members is likely to help such committees uncover and resolve potential issues in the corporate reporting process (Li et al., 2012). Extant literature affirms the effectiveness of AC is to some extent not independent on the features of the committee, such as its size (Dellaportas et al. 2012; Herdjiono &Sari 2017). While AC with a small number of members lacks diversity of skills and knowledge, and hence becomes ineffective. An AC of the right size would allow members to use their experience and expertise in the best interests of stakeholders. Thus, the size of these committees should be properly determined. The commonly reported AC sizes are three to five or occasionally seven members who are not a part of corporate management (Alleyne et al., 2006; Beasley Alleyne et al., 2009). An effective AC size is crucial if a firm wants to achieve better results. This is because substantial AC members may offer valuable expertise and experience in improving the quality of financial disclosure.

H01: AC size has no effect on the qualification of reports in listed multinational public companies in Nigeria.

2.1.6 Frequency of Audit Committee Meetings

AC meetings are crucial to carry out successful oversight tasks in supervising the proficiency of managers and firms (Stewart & Munro, 2007). The existence of the AC does not give assurance that the committee will be efficient, thus focus has been redirected on the composition and activities of AC. The number of AC meetings reflects their monitoring effectiveness, and the literature uses frequency of meetings as a proxy to measure AC activity (e.g. Xie et al. 2003a; Lin et al. 2006). ACs that meet more frequently are better informed about the company circumstances (Al-Matari 2013), and provide a more effective oversight and monitoring mechanism of financial activities, which includes the preparation and reporting of company financial information. The AC commitment has been operationalized as the number of AC meetings took place during the financial period (Alaswad & Stanišić, 2016), with the anticipation that the more frequently AC meets, the more probably it carries out its responsibilities. For example, Abbott et al. (2004) found that the likelihood of companies restating their financial reports significantly decreased if the AC held at least four meetings a year. Similarly, there is evidence that ACs of companies in financial difficulties do not hold meetings as frequently as those without financial difficulties (McMullen & Raghunandan 1996).

Karamanou and Vafeas (2005) have argued that AC that meets more frequently is more likely to effectively accomplish its monitoring role. Greco (2011) is of the opinion that the frequency of AC meeting would permit the memberships to express decision about the firm's accounting choice of assumptions, disclosures, estimate and principles. In this case, regular meetings of AC would make it informed and knowledgeable about relevant auditing, accounting and taxation issues

(Allegrini & Greco, 2011).

H02. Frequency of AC meetings has an effect on the qualification of reports in listed multinational public companies in Nigeria.

2.1.7 Audit Committee Gender Diversity

The gender diversity of the AC denotes the percentage of female members in the total AC members. Hence, there has been overwhelm agitation for gender diversity in the administration of corporate world, which it is supposed would provide equal opportunities for the womenfolk in the divers' board composition (Abdussalam & Okiki, 2018). Gul, et al., (2011) as cited in Fakhari and Pitenoei (2017) believed the supposition that the quantum of womenfolk in the AC quenches overambitious attitude and financial misrepresentation of their menfolk in administration. In recent times, researchers have been exploring the consequence of board diversity and AC gender diversity on performance (Wachud & Mboya, 2012; Abdussalam & Okike, 2018). Previous studies claim that gender is likely to have an influence on a company's decisions and suggest that females have different perspectives and demand different information from men (e.g. Peni & Vähämaa 2010; AbdulHameed & Counsell 2012; Alqatamin et al. 2017). Several feminist economists argue that women are more inclined to be neutral in moral judgements and behaviour than are men and women are multitasks naturally (Nelson 2012).

H03. AC gender diversity has no effect on the qualification of reports in listed multinational public companies in Nigeria

2.2 Theoretical Review

The concept of AC attributes and assurance services can be explained by agency theory and resource dependency. This study will examine the AC and assurance services based on these three theories.

2.2.1 Agency Theory

Agency theory was propagated by Jensen and Meckling (1976). The theory argues that in the modern business environment where the ownership of shares is emphasized the actions of managers are not always aligned to ensuring maximization of shareholders' returns. In the terms of the theory, proprietors are principals and managers are agents/operators and there exists an organization misfortune (Jensen & Meckling 1976). The theory determines systems which reduce the agency loss. These are incentives for management which compensate them monetarily to boost the interests of shareholders. Such designs customarily consolidate plans that allow senior directors to get shares, possibly lower charges, thus, aligning funds related premiums of managers to those of financial investors. The separation of possession and control in current business makes irreconcilable circumstances among shareholders and managers. Following this contention between the agent and principal, organizations must utilize control instruments to lessen institutional expenses and information asymmetry such as ACs. Moreover, Pincus (2009) asserted that ACs utilized the fundamental circumstances, where agency costs are high to enhance the nature of information streams to the principal from the agent. As indicated by the agency theory, managers are urged to get ready financial statements sufficiently and to determine the profits or returns made by the organizations to guarantee the capability of an AC.

2.2.2 Resource Dependency Theory:

The policeman theory sees the auditor as having the capabilities to look for and detect, and consequently prevent fraud. This means that audited financial statements are expected to be free from fraud and where fraud has existed, the audit process would show such (Salehi, 2010). This was the case in the early 20th Century, and over the years, the idea shifted to the auditor having the responsibility to express an opinion on the true and fair representation of the financial statements of the actual state of affairs of the company. It restrains the auditor's responsibilities on "arithmetical accuracy and on the prevention and detection of fraud" (Hayes Knechel & Wong, 2005). The Resource Dependence Theory studies how the external resources of an organization affect its behaviour and thus focuses on interdependence between organizations and their external environment. The theory originated in the 1970s with the publication of The External Control of Organizations: A Resource Dependence Perspective by Jeffrey Pfeffer and Gerald R. Salancik. The board members provide resources and board composition relates directly to the ability of the board to bring the resources to the company. According to this theory, the AC serves as a source of advice and counsel for the board of directors with the goal to bring valued resources to the firms.

3.METHODOLOGY

The study adopted *ex-post facto* design. This method is considered appropriate because it draws historical data of sampled multinational firms in Nigeria for analysis and conclusion purposes. The population of the study comprises the five (5) listed multinational firms in Nigeria listed as at December, 2020. In order to have a sizable number for this study, a non-probability method in the form of a purposive sampling technique would be used. Based on the judgmental sampling technique, five (5) listed multinational companies were chosen based on companies which have been in existence and whose name and ownership structure have not changed from 2012-2020. In order to meet the objective of this study, the study utilized only the secondary source of data. This is because the estimation of the models in the study requires the use of time-series data in the form of financial information which are available through the sampled multinational firms. The data were sourced from the annual reports and accounts of the sampled firms for the years reviewed in the study (2012-2020).

3.1 Model Specification

The primary objective of the study is to examine the effect of AC features and assurance services of listed multinational public companies in Nigeria. AC size, frequency of AC meetings and AC diversity are the independent variables used to measure the AC. Assurance Services, which is the dependent variable, is proxied by reports qualification. A model was adopted from the study of Stewart and Munro (2007) where they examined the impact of AC existence and AC frequency meeting on external audit which is stated thus:

$EA = b_0 + b_1ACE + b_2ACFM + \mu$ ………………. Adopted model

Modifications were made on the model to examine the causal-effect relationship among AC size, committee frequency meetings and expertise of AC and qualification of report.

Expressing the models in functional form it becomes:

Modifications

QOR = f (ACS, ACFM, ACGD)…………..*equation 1*
Where:
QOR = Qualification of Reports
ACS = AC Size
ACM = AC Frequency Meeting
ACGD = AC Gender Diversity
Transforming this model into a multivariate regression model, it becomes:
Model:
$QOR_{it} = \mho_0 + \mho_1 ACS_{it} + \mho_2 ACFM_{it} + \mho_3 ACE_{it} + £_{it}$…………*equation 2*
Where:
$\mho_0$ = interception
$\mho_1$ - $\mho_3$= coefficient of parameter of the equation
£ = stochastic coefficient

3.2 Measurement of Variables

Qualification of Reports	This could take various forms; we have the qualified opinion and unqualified opinion. Where in the auditor's report, the auditor does not qualify the company financial statement for 2 years consecutively, QOR=1, otherwise, QOR= 0
AC Size	The AC has to do with the number of members in the AC of a company. This often comprises three to six members. This can be measured by the number of AC members. If they are up to 3, ACS = 1, where otherwise, ACS =0
AC Frequency Meetings	Many committees meet on a monthly basis, while others meet on a quarterly basis or even on a semi-annual basis. The minimum number of meetings used to be twice a year but has increased to four times a year according to the (BRC, 1999). This can be measured by the number of times the committee attended meetings in a year. If the number is up to 3times, ACFM= 1, otherwise, ACFM =0
AC Gender Diversity	The gender diversity of the AC refers to the proportion of female members in the AC to the total AC members. This can be measured by the number of AC directors with professional experience. If they are up to 3, ACGD = 1, otherwise, ACGD= 0

3.4.Method of Analysis
The data is analyzed using the Poisson regression analysis. The regression analysis is found suitable for the study, because it estimates the rear-event relationship between variables (one dependent and one or more independent). It is equally used for estimating parameters of unknown coefficients in models of functional relationship.

4. DATA ANALYSIS AND DISCUSSION OF FINDINGS
This section deals with the presentation, analysis and interpretation of data collected and analyzed empirically for the purpose of achieving the objectives of this study. The data analyzed and presented is the empirical result of dependent and independent variables used in this research work

4.1 Descriptive Statistics
Table 4.1 presents the descriptive statistics for the dependent and explanatory variables. The descriptive statistics as presented in Table 1 shows the summary of six years means and std devs for the variables employed in the study. The results obtained from the descriptive statistics presents an average mean value for qualification of reports (QOR) as (0.60) with minimum and maximum values of 0.00 and 1.00, respectively, for the selected listed multinational public companies. The std dev stood at 0.49, indicating the dispersion in values for qualification of reports from the mean across the sampled banks. Similarly, descriptive results on AC size showed an approximate mean value of 5.88 with a std dev of 0.52. The table also presents an approximate mean value for AC meetings as 3.94, with an approximate std dev of 0.76. In the same vein, the table also presents the results of the AC gender diversity (ACGD) with a mean value of 7.36 and a std dev value of 11.32 The Jargue-Bera (JB) statistics also indicate that most of the data series have normal distribution. This is indicated by the probability value of the JB statistics which for most series are significantly different from zero at 1% levels of significance. This justifies the statistical significance of the variables of the study.
Skewness and kurtosis help to provide information about the shape of a distribution. The skewness indicator is used to indicate the sign of asymmetry and deviation of a distribution, The result from the table showed that qualification of reports and AC size which has a skewness value of (-0.41) and (-2.80), is negatively skewed because it has a value <1. AC Gender diversity has a skewness value of 1.30, which indicates that it is positively skewed since the value is >1. (-1.33) However, the AC meeting has a value of 0.37 which indicates that it is negatively skewed since it has a value <1.
On the other hand, the kurtosis indicator which is used to explain the rate of flattening of a distribution revealed that qualification of reports which have a kurtosis value of (1.16) is platykurtic since it is less than 3. However, AC size (11.24), AC meeting (8.32) is leptokurtic because their kurtosis values are >3. The kurtosis indicator revealed that AC gender diversity has a value of 3.76 which indicates that it is leptokurtic since the kurtosis value is <3. However, the result shows that all variables selected for the study after being logged are normally distributed. Therefore, a parametric analysis of the AC and assurance services variable of listed multinational public companies is clearly justified.

Table 4.1 Descriptive Statistics

Variables	QOR	ACS	ACM	ACGD

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Mean	0.600000	5.880000	3.940000	7.357148
Median	1.000000	6.000000	4.000000	0.000000
Maximum	1.000000	7.000000	7.000000	42.85710
Minimum	0.000000	4.000000	2.000000	0.000000
Std. Dev.	0.494872	0.520596	0.766918	11.32375
Skewness	-0.408248	-2.795545	0.374691	1.306237
Kurtosis	1.166667	11.24372	8.328059	3.760089
Jarque-Bera	8.391204	206.7067	60.31206	15.42241
Probability	0.015062	0.000000	0.000000	0.000448
Sum	30.00000	294.0000	197.0000	367.8574
Sum Sq. Dev.	12.00000	13.28000	28.82000	6283.135
Observations	50	50	50	50

4.2 Correlation Matrix

The correlation matrix explains the degree of relationship between the dependent and independent variables of the study. The summary of the associations among the variables of the study is presented in table 3

Table 3

Correlation Probability	QOR	ACS	ACM	ACGD
QOR	1.000000 -----			
ACS	0.126745 0.3804	1.000000 -----		
ACM	-0.010755 0.9409	0.083830 0.5627	1.000000 -----	
ACGD	-0.071103 0.6237	-0.218099 0.1281	0.208533 0.1461	1.000000 -----

Source: Researcher's Computation, (2021)

Table 4.2 reveals that AC size of the selected listed multinational public companies is positively correlated with qualification of audit report. This indicates a correlation value of 0.126745 and p-value of 0.3804 which is statistically insignificant at 5% which indicates that an increase in AC size will result in a fall in the qualification of reports. AC meetings and AC gender diversity is negatively correlated with the qualification of reports of the selected multinational public companies. The values of -0.010755 and -0.071103 of the variables indicated p values of 0.9409and 0.6237that are statistically insignificant at 5% respectively.

Most of the variables exhibited weak association, the overall relationship for the independent variables among themselves is insignificant and as a result, it is not enough to surmise that multicollinearity exists among the explanatory or exogenous variables of the study unless the variance factor and tolerance values are compared beyond the established rule of thumb. Thus, the tolerance value and variance factor are advanced measures for assessing harmful multicollinearity among explanatory variables. The variance on factor and tolerance values are determined with the use of E-view 9 and were found to be concurrently smaller respectively, indicating the absence of harmful multicollinearity. This therefore, indicates the adequacy of fitting the model of the study with four independent variables.

4.3 Analysis of Regression Results and Discussion of Findings

Table 4 Conditional fixed-effects Poisson regression

VARIABLES	(fixed) oqr	(random) oqr	(fixed) oqr	(random) oqr
acs	-15.31	-0.304	-17.25	-0.238
	(4,611)	(0.309)	(3,724)	(0.282)
acm	-0.161	-0.0527	-0.324	-0.242
	(0.517)	(0.452)	(0.578)	(0.435)
acgd			0.0881*	0.0359
			(0.0533)	(0.0287)
Constant lnalpha		-15.02		-15.15
		(2,262)		(3,243)
Observations	40	50	40	50
Number of s_10	4	5	4	5
Hausman text		0.9764		

Source: Researcher's Computation (2021) Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 4 presents the summary of the random effect Poisson regression results obtained from the data .Hausman specification test was then used to decide between the two results. The result from the Hasuaman test revealed a p-value of 0.976 that is not statistically significant at 5%. This implies that the test considered the random effect as the most appropriate estimator.

The result in Table 4 revealed that the AC size has a negative and statistically insignificant effect on the qualification of reports of listed multinationals public companies in Nigeria. This result is in tandem with extant literature of (Aldoseri, et al., 2021; Bala, & Kumai, 2015; Modugu, et al., 2012; Musallam, 2020). Whereas, these extant literature have contrary results with current results (Ademola, *et al.*, 2016; Adelopo, 2011; Alanezi, & Albuloushi, 2011; Owusu-Ansah, 1998). The qualification of reports of multinationals public companies is of great importance on its future

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operating activities; there is therefore the need to know the determinants of AC size and the influence on qualification of reports. This result shows that the size of the AC does not have much influence on the qualification of reports of the multinationals public companies in Nigeria**.**

The table 4 also showed that frequency of AC meetings has a negative and statistically insignificant relationship on the qualification of reports of listed multinationals public companies in Nigeria. The outcome is aligned with these studies (Bala, & Kumai, 2015; Greco, 2011; Ika, & Ghazali, 2012; Nelson, & Shukeri, 2011; Othman, et al., 2014; Setiany, et al., 2017). This infers that the AC meeting does not have a significant effect on the qualification of reports of listed multinationals public companies in Nigeria. Hence, this serves as a basis for rejecting the second Hypothesis which states that there is a significant effect of AC meetings on the qualification of reports in listed multinational public companies in Nigeria.

The table 4 also showed that the AC gender diversity has a positive and statistically insignificant relationship on the qualification of reports in listed multinational public companies in Nigeria. (Akhor, & Oseghale, 2017; Ashfaq, & Rui, 2019; Emeh, & Appah, 2013; Oradi, & Izadi, 2019; Sultana, et al. 2020; Thiruvadi, & Huang, 2011). This signifies that AC gender diversity does not have much impact on the qualification of reports in listed multinational public companies in Nigeria though they are positively related. This result serves as a basis for rejecting the second hypothesis which states that AC gender diversity has an effect on the qualification of reports in listed multinational public companies in Nigeria.

5. CONCLUSION AND RECOMMENDATION

This study was conducted to examine the effect of the AC attributes and assurance services of multinational public companies in Nigeria. The study was divided into five sections. The first section discussed the background issues, development and opinion surrounding the AC and assurance service by different scholars and authors as well as the statement of problem which led to developing three objectives and formulating three hypotheses for the research with a scope covering eight (8) years, from 2012-2020.

The review of the concept and measurement of AC and assurance services was discussed as well as the proxies of the independent variables and the dependent variable. The theoretical framework that underpinned the study was also discussed. Correlation research design was used in measuring the relationship among the variables of the study. Data was collected from secondary sources through the annual reports and accounts of 5 sampled multinational public companies out of a population of listed multinational public companies in the Nigerian stock exchange that have complete financial records either on their website or in the office of the Nigeria Stock Exchange. Multiple regressions were used to test the three hypotheses formulated by the study. The result of the descriptive statistics, correlation matrix and regression were presented, analyzed and discussed in section four. Finally, section five draws conclusions and also makes recommendations, which if employed will prove beneficial.

As a corollary of the discussion and analysis in the preceding section, this study found that; the AC size is negatively influencing or impacting the qualification of reports of listed multinationals public companies in Nigeria but statistically non-significant. Frequency of AC meetings has an adverse influence on the qualification of reports of listed multinationals public companies in Nigeria, but non-significant. AC gender diversity has positive influence on the qualification of

reports in listed multinational public companies in Nigeria, but non-significant.
Having considered the analysement of AC attributes as it influences the quality of financial statement, that is assurance services. AC size and frequency of AC meetings have not enhanced assurance service whereas, AC gender diversity does enhance assurance services.
In line with the findings of the study, the following recommendations are made: multinational firms as well as other firms should ensure ACs periodically conduct an evaluation on their composition so as to confirm if current members possess experience and knowledge required for one to be effective. In particular, AC meetings should on regularly basis and ensure discusses on organizational compliance with set financial regulations and other suitable criteria that will enable assurance services. Also, in the process of constituting ACs in public multinational companies, much consideration should be put on diversity. Diversity of ACs should be evaluated based on the gender, age, geographical orientation and tenure. ACs should consist of diversified members. This is because the gender, age, geographical diversity of the AC enhances the quality of the firm 's assurance reporting and as a result, there is the possibility of the report of an entity being reasonable report by the professional experts.

Policy Implication and Future Researches

Future research can build on this work by exploring data from other sectors in Nigerian exchange group NGX and different periods of economic recession and financial distress to better understand which AC attributes and assurance service.

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