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AUDIT COMMITTEE INDEPENDENCE AND VOLUNTARY DISCLOSUREOF DEPOSIT MONEY BANKS IN NIGERIA

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ABSTRACT
This study explored the relationship between audit committee independence and voluntary disclosure in Nigerian deposit money banks. The voluntary disclosure was measured by non-financial information disclosure, strategic information disclosure, and financial information disclosure. Data was sourced from the annual reports and accounts of selected listed deposit money banks in the Nigerian Exchange Group Fact Book, covering the period from 2010 to 2021. The analysis employed the Ordinary Least Squares (OLS) multiple regression model using E-View 10. The findings revealed that audit committee independence does not have a statistically significant relationship with financial information disclosure, audit committee independence is statistically significant to non-financial and strategic information disclosures. The study concluded that all three forms of voluntary disclosure significantly affected audit committee independence. Consequently, the study recommended that: the audit committee should include more independent directors with financial expertise because the independence of the committee significantly reduces earnings management and ensure proper voluntary disclosures. The increase in audit committee independence leads to voluntarily providing more information, which in turn reduces opportunistic behaviors. There is a need to strengthen and emphasize on the importance of the independence of audit committees.
KEYWORDS: *Audit Committee Independence; Voluntary Disclosure; Non-Financial Information Disclosure; Strategic Information Disclosure; Financial Information Disclosure*

INTRODUCTION

Voluntary disclosure is becoming essential to corporate governance, especially in finance. Khalil and Ozkan (2016) define it as organisations providing stakeholders with more information than required by law in order to bridge the knowledge gap between concerned parties and those in charge. Deposit money banks need voluntary disclosure to promote transparency, investor trust, and lower capital costs (Uyar & Kilic, 2015). Elzahar and Hussainey (2016) state that several factors influence information release. These include regulation, corporate governance, and perceived transparency benefits.

Li, Mangena, and Pike (2016) found that corporate governance, particularly the function of the audit committee impacts the disclosure that is voluntarily made. There should be sufficient internal controls in place, and the audit committee should be in charge of reviewing financial reports and verifying financial statements (Alqatamin, 2018). The independence of the audit committee is the most important quality of an audit committee. The audit committee's independence means its non-executive members are independent and not involved in any links that might jeopardise their objectivity (Arora & Sharma, 2016).

There has been discussion over the audit committee's autonomy in the Nigerian banking sector since it might impact voluntary disclosure. The financial scandals and bank failures in Nigeria have shown that greater corporate governance is needed (Okike, 2017). Among these strategies is audit committee independence. Independent audit committees are greater propensity to prioritise shareholder value and ensure management provides all essential information, which increases voluntary disclosure (Ofoegbu & Okoye, 2020).

Studies show that an independent audit committee can increase voluntary disclosure quantity and quality. Adegboye, Adekoya, and Olowokudejo (2019) found that Nigerian banks with more independent audit committees released more non-financial information. This finding is backed by agency theory, according to Jensen and Meckling (1976), which states that independent directors can better monitor management and reduce agency costs.

Corporate governance's role in promoting financial reporting transparency and accountability is widely understood, especially in the banking industry, where financial disclosure credibility is crucial to investor trust and market stability. This is especially true in banking. The audit committee monitors financial reporting and ensures honest firm disclosures, making it an important corporate governance institution. The efficacy of the audit committee's monitoring is greatly affected by its independence from management, according to Fodio et al. (2015). To prevent bias and make sure the committee's decisions benefit shareholders and other interested parties, independence is key.

Nigeria's banking industry has suffered from financial scandals and crises due to insufficient disclosure regulations and corporate governance (Adegbite, 2015). Despite statutory changes to corporate governance, deposit money institutions' voluntary disclosure remains a major concern. These include Central Bank of Nigeria Corporate Governance Code implementation. Businesses call this "voluntary disclosure," providing information beyond what is needed by law or regulation. According to Olaniyi and Omoteso (2019), it is essential to improve financial reporting transparency and accountability, which can boost investor confidence and financial system stability.

Most agree that audit committee independence affects voluntary disclosure breadth and quality. Therefore, a group of impartial auditors is more inclined to promote comprehensive and honest disclosure (Hamid et al., 2016). From the start, an independent audit committee is regarded to be free from managerial interference. Concerns are developing in Nigeria that audit committees may not be independent enough. Dominant shareholders, strong committee-management connections, and lax corporate governance code enforcement contribute to this (Nwoye et al., 2020).

In cases when audit committee independence is weakened, Al-Hadi et al. (2016) found poorer voluntary disclosure quality and quantity. This threatens Nigerian banks' financial reporting transparency, which might damage investor trust, market efficiency, and financial system stability. Despite its importance, little is known about the relationship between audit committee independence and deposit money institution voluntary disclosure processes in Nigeria.

This paper examines how audit committee independence affects deposit money banks' voluntary disclosure processes in Nigeria to remedy this issue. It is crucial to establish if current governance frameworks maintain audit committee independence and enhance disclosure standards. To enhance Nigeria's banking industry's financial reporting credibility and openness, which will help stabilise and grow the financial system, this issue must be resolved. Despite several research, audit committee independence and voluntary disclosure in deposit money institutions are still little studied. There are no uniform proxies for quantifying voluntary disclosure, which this study will use for financial, non-financial, and strategic information. Finally, this study will fill a gap in deposit money bank research. Based on the literature vacuum, this study examines audit committee independence and voluntary disclosure in Nigerian deposit money institutions.

STATEMENT OF PROBLEM

More open and accountable financial reporting could be possible with better corporate governance. Reporting of financial information credibility is essential to bank investor trust and market stability. Especially when market stability matters. Audit committees are vital in company governance. Management of financial reporting and honest corporate disclosures are major obligations. Fidio et al. (2015) say the audit committee's monitoring efficacy hinges on its independence from management. Although management is not held directly responsible by the audit committee.. The committee's independence ensures shareholder and stakeholder advantages and eliminates conflicts of interest.
Adegbite (2015) found financial scandals and problems in Nigerian banks. These disasters are generally attributed to weak corporate governance and disclosure. Although corporate governance regulations have improved, deposit money institutions' voluntary disclosure remains concerning. The Nigerian Central Bank's Corporate Governance Code supports these initiatives. Here, "voluntary disclosure" is a corporation disclosing information beyond legal or regulatory restrictions. To boost investor confidence and financial system stability, financial reporting openness and accountability must be prioritised (Olaniyi &Omoteso, 2019).

Audit committee independence is thought to determine voluntary disclosure quantity and quality. Independent audit committees encourage comprehensive and open disclosure, for the purpose of Hamid et al. (2016). As a result, a separate audit committee has to be unaffected by management. Concerns are mounting that Nigerian audit committees may be biassed. This is attributed to powerful shareholders, tight committee-management relationships, and loose corporate governance (Nwoye et al., 2020). Below are some elements.

Al-Hadi et al. (2016) observed that voluntary disclosures are lower-quality and broader when audit committee impartiality is questioned. Studies prove this. This threatens Nigerian banks' financial reporting accuracy, investor trust, market efficiency, and financial system sustainability. Despite its relevance, little is known regarding audit committee independence and voluntary disclosure practices in Nigerian deposit money organisations. Information is insufficient.

In Nigeria, audit committee independence affects deposit money institutions' voluntary disclosure processes. Lack of research is filled by this research. Governance mechanisms must be examined to see if audit committee independence enhances disclosure procedures. This issue must be resolved to improve Nigeria's banking industry's financial reporting credibility and transparency, stabilising and strengthening the financial system. Consider this critical point.

Objectives of the Study

The specific objectives of this study are to:

1. examine the relationship between audit committee independence and non-financial information disclosures of deposit money banks in Nigeria
2. determine the relationship between audit committee independence and strategic information disclosures of deposit money banks in Nigeria
3. ascertain the relationship between audit committee independence and financial information disclosures of deposit money banks in Nigeria.

Research Hypotheses

Ho_1: There is no significant relationship between audit committee independence and non-financial information disclosures of deposit money banks in Nigeria

Ho_2: There is no significant relationship between audit committee independence and strategic information disclosures of deposit money banks in Nigeria

Ho_3: there is no significant relationship between audit committee independence and financial information disclosures of deposit money banks in Nigeria.

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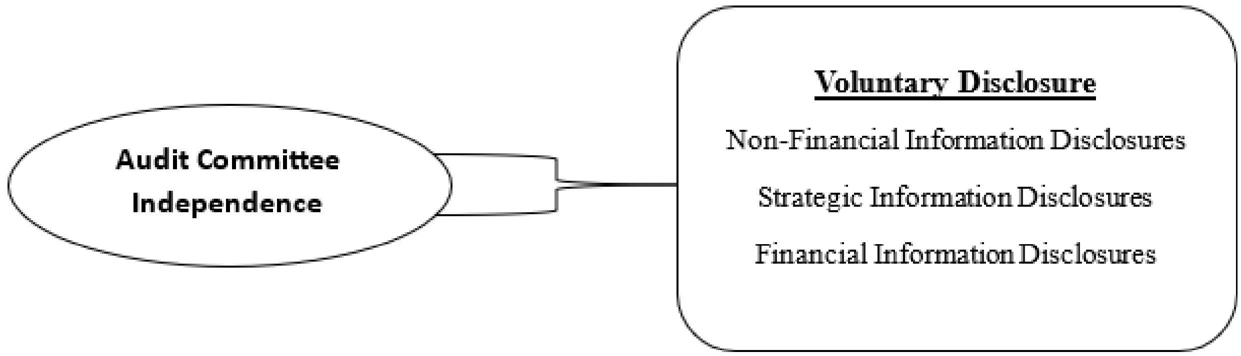
Conceptual Framework



Source: Ayinde (2020); Othmana et al. (2014); Zubair (2015); Meek, Roberts & Gray (1995); Allegrini and Greco (2013).

Audit Committee Independence
Among the most critical characteristics of a review board is its freedom, or ACI. To conform to the Nigerian administration code for public ventures from 2011, organizations should ensure that their leader chiefs are not individuals from the legal review board. The choice of NEIDs turned into a commitment of DBMs in 2014 with the issuance of the Code for Banks by the National Bank of Nigeria. The Bank Code incorporated this guideline too. The capacity of free chiefs to stay goal and give solid divulgences is upgraded when they are not under obligation to the executives, contend Fama and Jensen (1983). The explanation for this is that when chiefs are not influenced by the executives, they are better ready to screen them.

The independence of the Warning Board of trustees is guaranteed by arrangements consolidated in the Organizations and Partnered Matters Demonstration of 2004 that permit investors to take part as individuals. Such a large amount what we have up to this point handles the level of NEIDs on the air conditioner like it's ACI. To make any authoritative discoveries, the former examination didn't give sufficient data. Results from South African examples showed that ACI fundamentally expanded consistence with IFRS related party revelations (Sellami and Fendri, 2017). Along these lines, Li et al. (2012) found that IP spills were pervasive in UK-based information. Concerning the revelations made by recorded Nigerian DMBs on their corporate administration, Ebirien et al. (2019) shown an irrelevant negative connection. With regards to the idealness of monetary detailing in Nigerian protection organizations, Chukwu and Nwabochi (2019) found a frail negative connection among ACI and reliability.

Voluntary Disclosure
Companies inform stakeholders via reporting and transparency. Disclosure helps society manage resources by reducing firm-stakeholder knowledge asymmetry. Companies may provide mandated or voluntary information to eliminate stakeholder asymmetry. Mandatory disclosure dominates publishing. Most governments mandate firms to report notwithstanding size, legal, monetary, or public bookkeeping framework, favored subsidizing sources, or other disclosure practices. Government or professions rule. Volunteer disclosure surpasses mandatory reporting, irritating users. In some sectors, accounting and reporting may not represent business complexity (Unuagbon&Oziegbe, 2016). Traditional financial reporting employs history. Wawure (2018) thinks annual reports show corporate conduct. They increase stakeholder and public accountability. Annual report disclosures decrease borrowing costs (Healy & Palepu, 2001).

Non-Financial Information Disclosures
The Jerkins Committee's early 1990s corporate reform advice has led to worldwide research on non-financial information disclosure (Robb &Zarzeski, 2001). The committee advised enterprises to provide more data on their arrangements, possibilities, risks, and other non-monetary measurements of key business exercises, which have become more well known because of new overwhelming ventures, harder rivalry, IT, the web, and globalization. Coordinated detailing assesses an organization's presentation and worth (Holt et al., 2015).

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Strategic Information Disclosures

Strategy is regularly disclosed by financial and non-financial organisations. Annual reports and analyst interviews may include this information. Strategic information helps stakeholders evaluate management, sustainability, and viability (Etengu et al., 2019). Olaoye and Okeke (2020) suggest voluntary disclosure of corporation history, purpose and mission statement, geographic, economic, and political stability, and organisational structure. Management uses it to set goals, create programs, and control resources. Strategic information includes firm history, mission, vision, structure, regional economic and political stability, and corporate governance report.

Financial Information Disclosures

Scott (2016) defines voluntary financial disclosure as unobligated financial report disclosure. Gibbins et al., 1992 in Agyei-Mensah (2012) define monetary data exposure as the correspondence of financial execution, position, or prospects, especially in money. To Bruslerie and Gabteni (2021), voluntary financial disclosure is a company's disclosure of financial information beyond mandatory disclosure. Therefore, firms provide this information even if not necessary. As indicated by this definition, deliberate monetary exposure is corporate monetary data disclosed to expand mandatory disclosure.Arsoy et al. (2014) argue financial data is the best indicator of organisational success and the most important factor in investment decisions.

Theoretical Framework

Agency Theory

This exploration utilizes office hypothesis. In 1973, Stephen Ross and Barry Mitnick proposed the office hypothesis, proposing a "organization issue" among directors and specialists. Organization hypothesis separates entrepreneurs and chiefs. As indicated by Smith (2016), organization hypothesis tended to supervisors' negligence for investors' inclinations, which Michael Jensen called "the orderly fleecing of investors and bondholders" (1989), by directing how the chief ought to control the specialist to check administrative advantage and personal responsibility.Huge undertakings required administration to safeguard investors (Jensen and Meckling, 1976). The organization technique became regulated in corporate administration in business, training, exploration, and media as the market embraced this adjustment of rationale.

Empirical Review

Njokuji and Chukwu studied 2023 Nigerian bank segment disclosures and audit committee characteristics. 2018–2020 Nigerian Stock Exchange deposit money bank yearly reports include secondary data. Four null hypotheses were multivariately tested. Meeting frequency greatly reduces segment disclosures, but audit committee gender diversity increases them. Audit committee independence and financial understanding somewhat effect segment disclosures positively and adversely.

In 2020, Musa et al. examined Nigerian audit committee independence and financial knowledge on voluntary deposit money bank disclosure. Nigerians question listed Deposit Money Banks (DMBs)' financial and non-financial information when banking firms failed. Voluntary disclosure in Nigerian banking damages financial information confidence. This study empirically investigates Nigerian listed Deposit Money Banks' voluntary disclosure policy. After-the-fact research examines audit committee membership and independence on listed DMBs' voluntary disclosure. Two years after the CBN's ₦25bn recapitalisation strategy strengthened Nigerian banks through mergers and acquisitions, secondary data was used to study the yearly reports of twelve recorded store cash banks from 2008 to 2018. Institutional yearly announcing finished in 2018. GLR inspected 11 years. Results show that review board of trustees creation doesn't influence divulgence practices of recorded DMBs in Nigeria ($z=0.372$, $p>0.05$), though autonomy significantly influences deliberate exposure ($z=3.069$, p-esteem < 0.01). The review showed that review board individuals with bookkeeping and monetary aptitude don't impact DMB exposure prerequisites like non-leader chiefs.

Kabiru and Usman (2021) say audit committees harm Nigerian DMB financial reporting. Correlational study. Secondary data from Nigerian DMB annual financial reports. Nigerian sample has 14 DMBs. From 2009 to 2019, eleven years were covered. STATA analysed secondary data with multiple regression. Financial competence lowers DMB financial reporting quality, but audit committee meeting frequency and female gender enhance it. In Nigeria, audit committee independence did not affect DMB financial reporting quality.

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METHODOLOGY

This study made use of secondary sources and ex-post facto methods. The major data source was the Nigerian Exchange Group Fact Book, which covers listed deposit money banks' financial statements and annual reports. The study covered 2010–2021, inclusive.

Model Specification

In this research, we see both independent and dependent factors. One of the independent variables in this study is the degree to which government audit committees are independent. As a stand-in for voluntary disclosure—the dependent variable in this study—disclosures of non-financial, financial, and strategic information are used. An equation describing the model is provided below:
The independence of the audit committee serves as the independent variable. With X as the independent variable and Y as the dependent variable, the model gauges voluntary disclosure (VD) using NFID, SID, and FID.
Y = *f*(NFID, SID, FID)
X= *f*(ACI)
Y= β_0 + β1X_1…………. + ε ……………………. (1)
NFID = β_0 + β2ACE_2…………. + ε …………………. (2)
SID = β_0 + β2ACE_3…………. + ε …………………. (3)
FID = β_0 + β3ACE_4…………. + ε …………………. (4)
Where;
Y = Voluntary Disclosure (VD)
X1 = (Non-Financial Information Disclosures (NFID), Strategic Information Disclosures (SID)andFinancial Information Disclosures(FID))
β0 = Constant term
β1 = Beta coefficients
ε = Error term

DATA ANALYSIS

The study's analytical results are available here. The results of several statistical tests, such as correlation and pooling OLS analyses, performed on the collected data using E-view 10.0 version for hypothesis testing, are displayed below. The results of the regression analysis, including the p-value, were used to make decisions. A 5% (0.05) level of significance was used to test all of the hypotheses. Acceptance of H0 is contingent upon the computed p-value being more than or equal to 5%; rejection occurs otherwise.

Table 1: Result of descriptive statistics

	ACI	NFID	SID	FID
Mean	5.672603	17723689	24.99354	6.583704
Median	3.780021	1805000.	17.59000	4.790000
Maximum	35.52020	4.35E+08	98.71000	36.63000
Minimum	0.050100	1050.000	0.130000	0.060000
Std. Dev.	5.628810	55583658	21.51273	5.739920
Skewness	2.706467	4.779013	1.063738	1.807568
Kurtosis	13.54671	29.06119	3.186481	13.65779
Jarque-Bera	1207.430	6068.013	26.81973	1318.541
Probability	0.000000	0.000000	0.000000	0.000000
Sum	1171.010	3.35E+09	3912.780	1182.120
Sum Sq. Dev.	7430.073	5.81E+17	85282.75	8240.185
Observations	132	132	132	132

Audit Committee Independence (ACI), NFID, SID, and Financial Information Disclosure are discussed. The central tendency, dispersion, skewness, kurtosis, and normality of 132 observations are illustrated.

Right-skewed ACI audit committee independence averages 5.67 but medians 3.78. NFID mean and median are 17,723,689 and 1,805,000, extremely different. The dataset's high values make it right-skewed. Right-skewed SID has a mean of 24.99 and a median of 17.59 for moderate strategic information. Right-skewed financial disclosure averages above the median, according to FID. The audit committee independence variable is 0.05–35.52. NFIDs 1,050–435 million are excessive non-financial disclosures. Strategy and financial information sharing range from 0.13 to 98.71 and 0.06 to 36.63. Due to ACI's 5.63 standard deviation, audit committee independence varies substantially. The 55.58 million standard deviation indicates NFID's comprehensive non-financial information sharing. SID strategic information sharing is 21.51 standard deviation unclear. The 5.74 FID standard deviation indicates substantial financial information disclosure variability. ACI has a positive bias and longer right tail at 2.71. The mean of NFID is 4.78 with a right-skewed distribution and a few strong observations. SID minor positive skewness is 1.06. At 1.81, FID is substantially right-skewed. ACI has a leptokurtic distribution with heavy tails and a significant peak at 13.55 kurtosis. NFID indicates a leptokurtic with outliers at 29.06 kurtosis. SID kurtosis is 3.19, near to normal distribution 3. FID's 13.66 kurtosis fits a leptokurtic distribution with heavy tails and a big peak. All four variables' Jarque-Bera test statistics reject the null hypothesis of normal distribution with high values (1207.43 for ACI and 6068.01 for NFID) and 0.000000 p-values. Skewness and kurtosis make the variables non-normal. Sum and squared deviations quantify variance. Measurements impact variability because ACI is 1,171.01 and squared variances are 7,430.07. The analytical sample of 132 observations per variable is substantial.

Descriptive statistics demonstrate skewed and kurtotic ACI, NFID, SID, and FID distributions with large observation variability. Skewness, kurtosis, and Jarque-Bera detect outliers. These findings advise careful data interpretation and powerful statistical tools for severe and non-normal observations.

Test of Hypotheses

Ho$_1$: There is no significant relationship between audit committee independence and non-financial information disclosures of deposit money banks in Nigeria

Table 2: Panel OLS regression result for ACI and NFID

Dependent Variable: NFID
Method: Least Squares
Date: 11/24/23 Time: 18:16
Sample: 1 132
Included observations: 132

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	10.61096	1.851549	14.91632	0.0000
ACI	7.13E-06	2.20E-06	-0.222813	0.0300

R-squared	0.578605	Mean dependent var	25.99354
Adjusted R-squared	0.416841	S.D. dependent var	22.51273
S.E. of regression	20.32236	Akaike info criterion	9.075154
Sum squared resid	91684.98	Schwarz criterion	9.160914
Log likelihood	-852.6020	Hannan-Quinn criter.	9.109898
F-statistic	1.305069	Durbin-Watson stat	2.111328
Prob(F-statistic)	0.129657		

Equation Summary: R^2=0.57, DW=2.11

E-view found 10.61096 positive coefficient. Positive correlation between non-financial information and audit committee independence. A constant term of 10.61096 in non-financial information increased committee independence by 7.13E-06. The regression square R2=0.57 showed model strength. Non-financial audit committee independence changed 57%. Other non-model members in the error term made up 43%. The model had no serial autocorrelation with a Durbin Watson of 2.111328. An F-statistic of 1.305069 is strongly connected to the full model compared to Prob of 0.129657.

At the 0.05 level of significance, the decision rule with a t-statistic of 0.222813 being greater than -1.96 and the critical value approach with values of +1.96 and -1.96 both ruled out the null hypothesis and supported the alternative, which states that there is a significant relationship between audit committee independence and non-financial information of Nigerian deposit money banks.

Ho$_2$: There is no significant relationship between audit committee independence and strategic information disclosures of deposit money banks in Nigeria

Table 3: Panel OLS regression result for ACI and SID

Dependent Variable: SID
Method: Least Squares
Date: 11/24/23 Time: 18:17
Sample: 1 132
Included observations: 132

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	6.215102	0.556078	12.15630	0.0000
ACI	2.24E-06	7.20E-08	1.994981	0.0342

R-squared	0.760812	Mean dependent var	6.783704
Adjusted R-squared	0.014862	S.D. dependent var	5.939920
S.E. of regression	4.689649	Akaike info criterion	6.665099
Sum squared resid	6234.257	Schwarz criterion	6.750859
Log likelihood	-604.8518	Hannan-Quinn criter.	6.699842
F-statistic	1.309040	Durbin-Watson stat	2.008127
Prob(F-statistic)	0.349791		

Equation Summary: R^2=0.76, DW=2.00

The computed coefficient of 6.215102 from E-view showed a favourable association between audit committee independence and strategic information. Audit committee independence improved by 2.24E-06 as strategic information grew by 6.215102. As audit committee independence explained 76% of strategic information change, regression square R2=0.76 supported the model. The stochastic error term covered 24% of the remaining 24% caused by factors not included in the model. A substantial link with the entire model is shown by an F-statistic value of 1.309040 larger than Prob(F-statistic) = 0.349791.

H02 was significant and rejected using the critical value technique of +1.96 and -1.96 and the decision rule with t-statistic1.994981 larger than +1.96 at 0.05 alpha and 2-tailed test. HA2 was accepted because audit committee independence and strategic information of Nigerian deposit money institutions are linked.

Ho3: there is no significant relationship between audit committee independence and financial information disclosures of deposit money banks in Nigeria.

Table 4: Panel OLS regression result for ACI and FID

Dependent Variable: FID
Method: Least Squares
Date: 11/24/23 Time: 18:15
Sample: 1 132
Included observations: 132

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	5.525351	1.204192	1.126427	0.0021
ACI	-3.33E-08	1.51E-07	-0.113813	0.0309

R-squared	0.510540	Mean dependent var	1.499471
Adjusted R-squared	-0.000753	S.D. dependent var	11.72156
S.E. of regression	11.72710	Akaike info criterion	5.243355
Sum squared resid	31907.31	Schwarz criterion	3.329115
Log likelihood	-753.9970	Hannan-Quinn criter.	5.278098
F-statistic	0.914639	Durbin-Watson stat	1.820357
Prob(F-statistic)	0.228189		

Equation Summary: R^2=0.51, DW=1.82

According to E-view, audit committee independence and financial disclosure are positively correlated with 5.525351. Financial information grew by 5.525351, reducing audit committee independence by -3.33E-08. The regression square, R2=0.51, showed that audit committee independence improved financial information by 51%. While 49% went to stochastic error term components not included in the model. According to Durbin Watson, the model fit well

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since it had no serial autocorrelation. An F-statistic value of 0.914639 larger than Prob(F-statistic) of 0.228189 suggests a substantial link to the whole model.

H03 is a significant association between audit committee independence and financial information using the critical value technique of +1.96 and -1.96 and the decision rule with t-statistic -0.113813 larger than -1.96 at 0.05 degree of significance and 2-tailed test.

DISCUSSION OF FINDINGS

Ho1: The first hypothesis tested the disclosure of non-financial information and the independence of audit committees at Nigerian deposit money banks. Ho1 demonstrated that non-financial disclosure is negatively impacted by Audit Committee Independence (ACI). An additional 0.032319 units of non-financial information disclosure is achieved by deposit money banks with increased ACI use. In a 2-tailed test, the critical value approach was used to reject H01 when the values were between +1.96 and -1.96, and the decision rule was applied when the t-statistic was larger than -1.96 at a significance level of 0.05. The findings of this study corroborate those of Madi et al. (2013) and Al Ma'ani and Alawad (2019), who found that the number of independent directors and the size of the audit committee enhance the efficacy and voluntary disclosure of companies.

Ho2: Given the positive coefficients, audit committee independence and strategic information disclosure of Nigerian deposit money institutions arefavourably connected. More ACI use increases deposit money banks' Strategic Information (SIN) by 0.695208 units. H02 was significant and rejected using +1.96 and -1.96 critical values and a decision rule with t-statistic1.994981 greater than +1.96 at 0.05 alpha and 2-tailed test. Accepted HA2. In most study, audit committee independence (ACI) supports the resource-based strategy with VD, according to Saha and Kabra (2020). Only tenure and many directorships are linked to voluntary ethical disclosure, say Othman et al. (2014). Independence, competence, meeting frequency, and size varied. Audit committee independence and meeting frequency improve voluntary disclosure, according to Altawalbeh (2020).

Ho3: The third hypothesis looked at the audit committee independence and financial information disclosure in Nigerian deposit money banks. There is an inverse relationship between financial information disclosure and audit committee independence. By utilising the critical value technique, a decision rule, and a t-statistic of -0.113813, which is larger than -1.96 at a 0.05 level of significance and a 2-tailed test, H03 was found to be significant, leading to the rejection of the other hypotheses. According to research by Ebirien et al. (2019), financial literacy and audit committee independence are negatively affected by corporate governance transparency, while the effect is not statistically significant. Independent audit committees are associated with more voluntary disclosure of financial information, according to Setiany et al. (2017).

CONCLUSION

Focusing on disclosures of non-financial, strategic, and financial information, this study analysed audit committee independence and voluntary disclosure across deposit money institutions in Nigeria. There was a substantial impact on audit committee independence from all three types of voluntary disclosure. Improved financial, strategic, and non-financial reporting is a result of an audit committee that is independent. The importance of an impartial audit committee in ensuring openness and accountability in financial institutions is highlighted by these findings. Audit committees' impartiality and strong disclosure criteria make financial reporting more transparent. This transparency meets international good business governance requirements and builds stakeholder confidence.

Based on this study, Nigerian authorities and regulators should emphasis audit committee independence to encourage full and accurate voluntary disclosures. Deposit money banks should prioritise audit committee composition, with independent members to ensure unbiased monitoring. If banks do this, they and their customers may profit from an open culture.

Recommendations

Based on the conclusion, the following recommendations were made;

1. The audit committee needs additional financially savvy independent directors since their impartiality helps curb profits management and guarantees accurate voluntary disclosures.

2. Opportunistic behaviours are reduced as a result of an increase in voluntary information disclosure caused by an increase in audit committee independence. This shows that managers may be more likely to raise voluntary disclosures in response to increased monitoring and the number of independent members.
3. There is need to strengthen and emphasize on the importance of the independence of audit committees. This will help to significantly improve the need for voluntary disclosure

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