VOLUNTARY OR MANDATORY DISCLOSURE OF FINANCIAL INFORMATION BY LISTED CORPORATE ENTITIES IN NIGERIA: THE STAKEHOLDERS' PERSPECTIVES

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ABSTRACT

This study examined voluntary and mandatory disclosure of information by listed corporate entities in Nigeria, the stakeholders' perspectives. The study employed an exploratory research design using a systematic qualitative literature review on voluntary and mandatory disclosure of financial information. The review cuts across the developed and developing economies based on the global regulatory and disclosure requirements framework and counties' specific level of compliance, from the stakeholder's contextual perspective. The study revealed that India and Asian pacific regions ranked high among the developing nations in the level of financial information disclosure compliance, while Nigeria after the adoption of International Financial Reporting Standards (IFRS), had shown some levels of mandatory information disclosure, however, the level of voluntary compliance is still uncertain. The study recommended that the Financial Reporting Council of Nigeria (FRCN) should intensify efforts to ensure voluntary disclosure of financial information by listed corporate entities in Nigeria. This is advised because it enhances the transparency and performance of the listed corporate entities.

Keywords: Voluntary disclosure, Mandatory disclosure, IFRS, Disclosure requirements, Financial information.

1.1 Background to the Study

Globally, voluntary disclosures have been a controversial issue and the level of compliance is still uncertain even when the yearning for financial information disclosure is increasingly needed by every stakeholder. Naturally, private entities are not obligated by law to meet some mandatory disclosure requirements, unlike public entities and corporate organization which must publicly make available some specific information disclosure requirements that are material relevant for shareholders and the other entire stakeholders. Perhaps, one of the benefits some of entities that are still remaining private is to avoid mandatory disclosure of vital financial and non-financial information (Farre-Mensa, 2017; Rizzato, Busso, Fiandrino & Cantino, 2019).

Mandatory disclosures are the minimum material information which the law requires from the listed companies in their financial statements (Abdullah, Evans, Fraser & Tsalavoutas, 2015). Fernandes and Lourenco (2018) posited that the increase in the number of compulsory disclosure requirements associated with the International Financial Reporting Standards (IFRS) and the global adoption of the standards in recent time has resulted in considerable growth in the number of literature on the voluntary or mandatory disclosure and their compliance. Besides, meeting the stakeholders' disclosure requirement is what matters and mandatory disclosure of financial information is favorably correlated with corporate governance best practice (Cyrus & Richard, 2019). The stakeholders' perception tends towards the undue advantage of privilege position of the managers, that leads to information asymmetry and the adverse effect of such disparity when there is partial or non-closure of financial and non-financial material items. This creates an economic conflict of interest as the corporate agents make all strides and pervert discretional earnings for bonuses and remuneration, hence the stakeholders are disadvantaged resulting from lack of monitoring as a consequence of poor corporate governance.

In Italy, due to uniqueness and importance of financial information and non-financial information disclosure, the disclosure requirements have been transposed through the legislative decree 254/2016 (Fiandrino, Rizzato, Busso & Devalle, 2019). The mandatory disclosure requirements in Italy demand the disclosure of the business transparency model connected governance policies and outcomes, risks, and opportunities, financial and non-key financial performance indicators associated with five vital categories of environmental, social, employee, human rights and anti-corruption (Cahan, DeVilliers, Jeter, Naiker & Van-Staden, 2016; Rizzato, Busso, Fiandrino & Cantino, 2019). In Brazil, a reasonable level of voluntary disclosure of social and environmental still exist, as the corporate social responsibility of the companies beyond the minimum requirements have been reported (Rufina & Machdo, 2015). Within the jurisdiction of Brazil, the mandatory disclosure specifies the least and minimum acceptable information the companies are expected to make public as the voluntary reflects the exposure companies selectively make public beyond the mandatory requirements, irrespective of the acclaimed voluntary disclosure reported, due to the discretional nature of voluntary disclosure in Brazil, many studies have raised questions on the levels and measure of voluntary disclosure by the companies in Brazil in recent times (Rufina & Machdo, 2015).

Further studies from the advanced economies have shown that financial information disclosure requirements vary from voluntary to mandatory based on a particular country strong regulatory enforcement level. In some countries like Sweden, Norway, The Netherlands, France, Australia and Denmark, there is evidence of strong mandatory requirement regulations for companies in reporting corporate social responsibilities activities (Khurram & Zhang, 2018). However, in countries where a high level of financial information reporting is voluntary in nature, the companies operating in those countries are still under pressure to ensure that they are seen to be performing optimally in their firm performances, as well as performing corporate social responsibilities (Lone, Ali, Khan, Eweje & Sajiad, 2016). Companies operating in India from a survey conducted by KPMG in 2013 revealed to be one of the nations with an impressive corporate social responsibility reporting from 20% in 2011 to 73 % in 2013 and that Asia-Pacific region from 49% in 2011 to 71 in 2913 (Lone *et al.* 2016).

Studies from other developing economies, affirm the potency of information in enhancing transparency, improved reputation and trademark values (Figge, & Hahn, 2016). Specifically effects firm value and increases share prices, DeVilliers and Marques (2016), reduces the cost of capital and information asymmetry yet promotes sustainability growth in relation to environmental, social and government (Dhaliwal, Radharkrishnan, Tsang & Yang, 2012). In Bangladesh, there are studies evidence that disclosure of financial information is in two perspectives, the disclosure made through the prospectus at the point of initial and new securities are being offered to the primary market, while the second type of disclosure of financial information is made through the company's annual financial statements and notes to the accounts of the companies (Bokpin, 2016; Sufian, 2016).

From the Nigerian perspective, good and reliable financial statements and financial information is highly expected by the stakeholders, hence the information needs and reliable financial information is the heartbeat of every financial report user, so as to meet users' ultimate information needs from all the listed corporate entities in Nigeria. The unpleasant experience case of Enron, WorldCom, Pamalet and Cadbury Nigeria had left a lasting bitter taste among investors in Nigerian and world over. Therefore, it requires a strong regulatory guidelines and uncompromising regulatory body in Nigeria to obliterate the stains, restore confidence from the context of shareholders framework (Damagum & Chima, 2013). Mandatory disclosure in Nigeria is the least and minimum guidelines and regulatory requirements that are expected in the preparation and presentation of financial and non-financial information in reported annual financial statements as required by law and regulatory bodies (Sufian,2016). The Nigerian Stock Exchange (NSE), Securities and Exchange Commission (SEC) and Financial Reporting Council of Nigeria (FRCN) expect that the public corporate organization strictly comply with the mandatory disclosure requirement in place in Nigeria, for the safeguard and protection of the stakeholders' interest.
Basically, a low-quality financial reporting system and discretionary disclosure report certainly impedes expected effective investment decision making and reduces company's value. There is a need to motivate managers to a voluntary and comparable financial reports in line the current global best practices, this improves companies' quality of information reports that could lead to the internationalization of financial reports from Nigeria (Awoyemi & Jabar, 2014; Ogbenjuwa, 2016; Owolabi & Iyoha, 2012, Terzi, Oktem, Sen, 2013). Non-disclosure or insufficient information disclosure in reported financial statements in listed companies in Nigeria has damaging consequences on the corporate image and loss of confidence relying on them for serious investment decisions for local and foreign investors. It does not only reduces the level of confidence of the public in such reports, but creates a wider gap in the international community acceptance of Nigerian prepared financial statement. Since Nigerian's adoption of International Financial Reporting Standards in 2011, there seems an improvement in the level of information disclosure as monitored by the Financial Reporting Council of Nigeria (FRCN) (Ofoegbu, Odoemelam & Okafor, 2018). However, the level and extent of financial disclosure been reported from the global viewpoint and in Nigeria are uncertain and unclear whether voluntary disclosure or as a result of mandatory (Unuagbon & Oziegbe, 2016).

Voluntary information disclosures are the heartbeat of various stakeholders to assist them in making informed investment decisions. It can help them have a clear picture of the financial and nonfinancial exposures and contingencies liabilities their intending investment is likely to face. Unfortunately, the present information disclosure by some companies left nothing to be desired, limiting their disclosure to the minimum legal requirements whereas others still went further providing additional information voluntarily, providing directors shareholding in the company and the statement of corporate social responsibilities (Fernandes & Lourenco, 2018).

The adoption of IFRS has been instrumental to mandatory disclosure, yet the level of disclosure by companies in their financial statements even after IFRS adoption is still not clear and indeterminate and worrisome because the quality and confidence of the stakeholders greatly depend on it, hence reliability, transparency and quality of financial statements of the listed corporate entities in Nigeria depends on underlying realities of nondiscretionary disclosure by these companies. From the shareholders perspective in this aspect is quite critical because there is still, some perception that mandatory disclosure is still far being a reality even with the adoption of IFRS in Nigeria since 2011 (Ofoegbu, Odoemelam & Okafor, 2018).

Survey report of 2016 (KPMG, 2017). The mandatory social and environmental disclosure by developing economies revealed a remarkable improvement as nine nations made a cheering and remarkable disclosure with corporate social responsibility reporting higher than 90 percent in the recent 2017 global ranking among the developing economies. This saw India, Malaysia, South Africa, and Mexico among the best improved in information disclosure (KPMG, 2017), while Nigeria is nowhere to be found among the best compliant nations in financial information disclosure. Consequently, the objective of this study is to review and as well examine voluntary or mandatory disclosure of financial information by listed corporate entities in Nigeria from the stakeholders' perspective. There have been studies in voluntary or mandatory disclosure of financial information, this study contributes to the body literature by extending the frontiers of these prior studies from the viewpoint of the Nigerian experience. The rest of the study is structured as follows: Section 2 considered the literature review and highlight the conceptual, theoretical reviews with the underpinning theory and the empirical review. In section 3, the study presented the methodology, and in section 4 with a conclusion and recommendations.

2.0 LITERATURE REVIEW

2.1 Voluntary Disclosure

Previous literature argued that there are factors encouraging managers' decisions to voluntary disclosure information and possibly some constrain (Graham, Harvey, Rajgopal, Li, & Qiu, 2013; Shehata, 2014). Incentives to voluntary disclosure include capital market transactions/ information asymmetry, corporate control contest, stock compensation, increased analysts coverage, management talent signaling, and limitation of mandatory disclosure (Shehata, 2014). Notwithstanding, there are some constraints exhibiting voluntary disclosure, disclosure precedent, proprietary costs, agency costs, and political costs, however, litigation could be considered as a motivator as well as constraint.

2.2 Mandatory Disclosure

A mandatory financial information disclosure requirement is one the best global regulatory guidelines and arguably had brought information disclosure to the current level and could equally play a significant role in forceful compliance at least to an appreciable level in the future KPMG (2017) Accordingly, despite reported advancement of the practice in developed countries, regulations abound in these countries. Bearing the opportunity not to be left behind, nations of the world is putting a regulatory framework to ensure transparency and compliance to ensure that the least expected financial information disclosure is in place. For example, Mohammed (2018) opined that the Financial Service Reforms Act (FSRA) of 2010, mandated social disclosures in Australia (Bollen, Skull & Wei, 2010). Similarly, the Grenelle Act of 2009 in France provided for mandatory social and environmental disclosure (Doucin, 2013). Likewise, the United Kingdom (UK) revised companies Act 2006 and mandated companies to make a disclosure on social matters the UK parliaments (2006); Ioannou & Serafeim (2014). Equally, the largest companies in Denmark are required to make a disclosure on climate and human rights in their annual reports and accounts (KPMG, 2017).
In Africa, notably, Johannesburg Stock Exchange (JSE) in an effort to ensure mandatory financial information disclosure, companies operating in South Africa must make a

mandatory disclosure the necessary environmental information in which they are operating (Ioannou & Serafeim, 2014). Consequently, it means that both the developed and developing nations are consciously putting the necessary the legal framework in place to ensure mandatory information disclosure. Mohammed (2018), further stressed that Nigeria through the Nigerian Securities and Exchange Commission (NSEC) recently mandated certain social and environmental disclosure in its Code of Corporate Governance (CCG) issued in 2011 (Nigerian Stock Exchange (2011) and the Code of Corporate Governance for public companies in Nigeria.

2.3 Stakeholders

Obviously, the shareholders are the owners of the companies, yet they are another contending interest-holders and stakeholders are part of them in the business. The day to day running and management of the company is in the hands of the management who are saddled with the responsibility of managing the affairs of the company, to ensure optimal utilization of the company' resources in creating wealth for the shareholders as well as ensuring that the other stakeholder's interest is protected. The perception of the stakeholders of an organization may be widely held that stakeholders' interests are less control or influenced by management. As such, there could be a wrong idea that stakeholders' interests are not being protected in ownership and control of the organization (Valerio, Rafaele & Francesca, 2016).

It has always been the desire of every business establishment to ensure maximize shareholders' wealth creation as the primary objective of the firm. However, the focus has been broadened beyond this thinking by many scholars and embraced by firms to include the interest of all stakeholders, not just shareholders interest alone. Consequently, the concept of stakeholders are a reflection of individuals or group whose interest are directly or indirectly affected by the activities of the company (Aguguom & Salawu, 2018; Prasad, Mishra & Kalro, 2016).

The stakeholders in a typical company include the following:

1. **Management:** Regardless of the conflict of interest between the managers and the owners, the fact remains that the management is among the stakeholders. These are people who are concerned with the internal control, the profitability of the company, and the efficiency of the utilization of the company's resources.
2. **Shareholders**: The shareholders are the owners and the principal in the agency theory. They are interested in the company wealth creation, profit maximization, corporate sustainability ability of the company, potential growth and dividend policy and its implementation. An effective agency monitoring activities are the heartbeat of every shareholder, and the ability of the board of directors asserts best practices corporate governance policies and strict implementation gives a respite to every shareholder.
3. **The Creditors and Fund Lenders**: The long term and short term creditors have an interest in the companies they transact business with. They are basically interested in the ability of the business financial stability and going concern status to ensure payment of interest and principal sum as and when due is assured.
4. **The Government**: The governments are interested in business profits to assess tax revenue and also to ensure that relevant statistical information on employment and wages level are not disrupted. The companies play a huge role in the stability of the nation's economy.
5. **Employees**: The employees are the drivers of the companies' policies and operational activities. They are interested in the long run retention of their job as a

result the stability and going concerned of their company is important to them. The stable and uninterrupted profitability of the company lies in the retaining of their job and ability to meet their wage demands.

6. **Customers**: These are the company suppliers and the consumers of their goods and services. Their interest lies in the ability of the company to maintain supplies, regular and uninterrupted productive/services quality and price

7. **Other stakeholders**: Financial analysts and financial advisers, competitors, trade union and other pressure groups, the local and national community, the professionals and regulatory bodies and future generations.

2.4 Stakeholder Perceptions

On the stakeholder perspective, it is the desire of total and full voluntary or mandatory financial disclosure of companies for the benefit of stakeholders and by all mean close the continuous widening gaps in non-financial information disclosures, leading to information asymmetry considering the prevalence conflicts of interest existing between the agents and the principal (management). However, Valerio, Raffaele, and Francesca (2016) argued that considering the company's structure and managerial style globally, voluntary or mandatory information disclosure cannot satisfy all stakeholders diversified information needs. In other words, no company discloses fully in real terms, voluntary disclosures can detail and deepen mandatory disclosure, improving the credibility and completeness of mandatory disclosure on the surface, rather real facts. On the other hands, it can complement and expand the mandatory disclosure, for the sake of realizing the more complete, diversified, and systematic information disclosure (Valerio, Raffaele & Francesca, 2016).

Evidence from studies had been consistent that some of the challenges with stakeholders difficulties, considering "mute" stakeholders (the natural environment) and "absent" stakeholders (such as future generations or potential victims) (Capron, 2003; Buchholz, 2004; Phillip & Reichart, 2000). The difficulty of considering the natural environment as a stakeholder is real because the majority of the definitions of stakeholders usually treat them as groups or individuals, thereby excluding the natural environment as a matter of definition because it is not a human group or community, for example, employees or consumers (Buchholz, 2004). Phillips and Reichart (2000) maintained that only humans can be considered as organizational stakeholders and criticize attempts to give the natural environment stakeholder status.

2.2 THEORETICAL CONSIDERATION

2.2.1 Agency Theory

Agency theory describes the agency relationships between managers and shareholders on one part and also an association between shareholders and debt holders (Jensen & Meckling 1976; Watts & Zimmerman, 1983). In the first part, the principal delegates the managerial responsibility to the managers, who promises to act in utmost trust and confidence on behalf of the principal. On that case, the principal who are the capital providers delegate strategic and operational decision making to managers. On the second part, the managers are expected to act in good faith and make decisions that maximize shareholders' value and ensure that debt will be repaid. However, as agency theory describes, managers make use of their position and power for their own benefit. This results in conflict of interest because of the separation of firm ownership and control and is exaggerated by information asymmetry

Agency theory is one of the most widely used theories in management (Daily, Dalton and Rajagopalan, 2003; Wasserman, 2006). The theory is concerned with the symbiotic relationship between the principal (owner) and the agent (manager; Eisenhardt, 1989; Jensen and Meckling, 1976; Ross, 1973). Theory suggests that given the chance, agents will behave in a self-interested manner, behavior that may conflict with the principal's interest (Chrisman, Chua, Kellermanns & Chang, 2007; Eisenhardt, 1989; Jensen and Meckling, 1976). One other basic underlying postulations of agency the theory is the obvious conflict of interest between the owners (shareholders) and managers (agent). The basis of the conflict is rooted in the fact that each of the parties seeks to optimize their own interest, while the shareholders are mainly interested in profit maximization and wealth creation, the managers on their part is concerned with opportunistic tendencies for their own benefit in the form of bonuses, remuneration and other benefits that come with robust performances

The mangers due to privileged information at their disposal could manipulate the financial reports of the operational activities to their favor. Managers have an incentive to provide credible information to shareholders and debt holders and they do this by preparing audited financial reports and other disclosures (Watson, Shrives & Marston 2002). The bonding devices are contractual agreements such as debt contracts and compensation packages that bond managers' interest to those of the capital providers.

2.2.2 Legitimacy Theory

The legitimacy theory was developed by Dowling and Pfeffer in 1975 (Guthrie & Ward, 2006). That legitimacy theory exists when an established value system is congruent with the value system of the larger social system of which the establishment is a part. The legitimacy theory considers the company's desire to carry out its operational activities in an agreement with societal interest. Companies and their management are expected to operate within the acceptable ethical standards and acceptable norms in a cultural harmony with their respective community and for the common good of everybody concerned (Greiling & Grub, 2014, Ofoegbu, Odoemelem and Okafor, 2018). In the midst of disagreement and disparity of purposes between various value systems, there would always be a threat to the company's legitimacy. Further, Greiling and Grub (2014) maintained corporate establishment must strive and accommodate the society to be comfortable in all their actions. Legitimacy theory is taken to be one of the reasons (Ofoegbu *et al.*, 2018).

2.2.3 Shareholder Theory

The shareholding theory was propounded by Berle and Means in 1932 with the aim of detailing the primary duties of firms' manager which includes maximization of shareholder's wealth (Friedman, 1962). (Ahmad, 2015; Ofoegbu, Odoemelam & Okafor, 2018). Gunasekarage (2011) since the inception of the theory had been a strong critique of shareholder theory, the scholar posited that the largest shareholders were popular with a corporation and more so to a financial institution that comprises banks. The theory states that the shareholders and shareholder's fund creation the whole essence of business venture, and that managers of companies must do all within its ability to ensure profit maximization and wealth maximization for the shareholders. Friedman (1962) is one of the critiques of shareholder theory. Friedman contended that Berle and Means failed to realize that there are other interest groups other than the shareholders who alone.

2.2.4 The Theory of Voluntary Disclosure

The theory of voluntary disclosure postulates that firms with ''good news" have the motivations and incentives disposal towards financial information disclosure, aimed at avoiding information asymmetry and adverse selection problem (Cunhna & Ribeiro, 2008, Rover, Tomazzia, Murcia & Borba, 2012). According to Verrecchia (2001), the theory of voluntary disclosure can be association-based because the casual and effect of disclosure on the cumulative action of people investors and other stakeholders and agents (managers) at the time of disclosure; efficiency-based because disclosure at this aspect preferred modalities of disclosure in the absence of prior knowledge of the information (unrestricted preferences) and the discretionary-based or otherwise referred to as trial-based publication analyzes the discretion of the information that the agents (managers) practice with respect to disclosure decisions (Verrecchia, 2001).

Salotti and Yamamoto (2005) posited that the process of disclosure of financial information becomes the feature that differentiates the category association from judgment. That disclosure based on discretion comprises research identifying the reason for such disclosure. That is trying to know how managers and/or companies decide to disclose certain information. In this regard, disclosure is an endogenous process, considering the incentives that managers and/or companies have to disclose information (Salotti & Yamamoto, 2005).

2.2.5 The Stakeholder Theory

The stakeholder theory considers the ethnical organizational interest, control and management (Phillips, Freeman &Wicks, 2003). It is centered on planned attitude and practices that together constitute the management of stakeholders. That the management of stakeholders requires, as its main attribute, simultaneous attention to the legitimate interests of all stakeholders, both in the establishment of organizational and political structures and decision making. The survival and continued being productive of a company rest on the ability of the management saddle with the managerial responsibility to successfully manage the creation of wealth, value and still take care of the other interested parties to the satisfaction of the stakeholder groups, in such that each group continues to be an integral part of the system. In this respect, the stakeholder theory acknowledges and appreciates the importance of making management decisions based on the interests of the parties that may affect or be affected by the implementation of the objective of the company (Clarkson, 1995). The theory advocates that managers should act not only for shareholders interest alone but consider the interest of the stakeholders, as a result managerial overview should involve beyond the maximization of shareholders wealth, but equally accommodate the other groups that can directly or indirectly help or hinders the achievement of the corporate goal (Phillips, Freemen & Wicks, 2003). If not, the stakeholders could withdraw their support to the company's prospects (Huang & Kung, 2010). This theory is considered suitable and appropriate to this study because it tries to explain how the companies manage the stake-holders and their conflicting interests, through the disclosure of financial information and thus provides support to explain the dissemination of the social aspects of managing the company, since the influence of shareholders, customers, government, society, and donors was tested as a possible determinant of social information disclosure.

Underpinning Theory: The study reviewed five theories of agency theory, legitimacy theory, and shareholder's theory, a theory of voluntary disclosure, and stakeholder theory. However, the underpinning theory of the study is stakeholder theory because one the beneficiaries of voluntary or mandatory financial information disclosure are the stakeholders. When there are adequate and sufficient financial information disclosure, it gives the investors and the entire stakeholders' high satisfactory confidence in making investment decisions and at the same time increases the quality of the reported financial statement of the corporate entities.

2.3 Empirical Review

Rizzato, Busso, Fiandrino, and Cantino (2019) investigated the nexus between mandatory disclosure of financial and non-financial information and ownership concentration in Italy characterized by pyramidal groups and high ownership concentration. It was the intention of the study to ascertain the extent of voluntary or mandatory financial information disclosure in relation to the ownership concentration prevalent in Italy as a response to Italian legislative Decree 254/2016 on Non-financial information disclosure. The study explored a selected 141 listed companies in that group for a period of two years (2016-2017). The study employed multivariate regression analysis to test whether or not and if so, to what extent of the voluntary or mandatory disclosure compliance. The study found that nonfinancial disclosure scores held a significant and negative relationship between the level of non-financial mandatory disclosure and ownership concentration. Contextually, this implies that there was a negative relationship between the level of compliance with nonfinancial mandatory disclosure valid in the years of the regulatory adequacy and ownership concentration

In Arab countries, Bukair and Rahman (2015) investigated the effect of the board of directors' characteristics on corporate social responsibility disclosure of financial information in Islamic banks in Arab nations. The study employed 53 Islamic banks from 6 Gulf cooperation council nations for a period of one year (2008), using Chief executive officer duality, and board size and board independence as the explanatory variables. The study found that an appreciable percentage of 83.3 % disclosure is in existence, and that board independence and CEO duality had a positive and insignificant relationship with corporate social responsibility whereas board size had a positive significant relationship with corporate social responsibility in the selected sampled countries.

Das, Dixon and Michael (2015) studied voluntary or mandatory in view of social responsibility reporting in listed banking companies in Bangladesh. The study explored the level of disclosure of financial information as it relates to corporate social and environmental disclosure practices for a period of 5 years (2007-2011). The study found that in Bangladesh, there was an increase in the mean percentage of 17.85% compliance over the period under covered by the study. The study also found that firm size, board size board independence, and ownership structure were positively significant with corporate social and environmental disclosure (CSED). Furthermore, the study revealed that the profitability and firm size of the sampled companies had a negative significant relationship with CSED.

Shrif and Rashid (2014) examined the practices of voluntary and mandatory disclosures on commercial banks in Pakistan. The study also sorts to determine the effect of board composition of a proportion of non-executive directors and foreign directors and corporate attributes of firm size, gearing, and profitability on corporate social and environmental disclosure. The study employed data obtained from 22 selected commercial banks for a period of 6 years (2005-2010). The study concluded and revealed that the level of corporate social and environmental disclosure in the selected 22 commercial banks was low and below the study expectations. The study also found that the proportion of non-executive directors had a positive effect on corporate social and environmental disclosure in Pakistani commercial banks.

Majeed, Aziz and Saleem (2015) studied the effect of corporate governance on corporate social and environmental voluntary or mandatory disclosure in Pakistan. The study used data sourced from the selected companies for a period of 5 years 2007-2011). The study explored board size, board independence, female directors, foreign national of the directors, ownership concentration, and institutional ownership as the explanatory variables for the study. Controlling variables of firm size and profitability were also used. The study found that corporate social and environmental disclosure had a positive significant effect on board size, firm size institutional concentration, whereas foreign directors and female directors on the board had a negative significant effect on corporate social and environmental disclosure.

Lone, Ali, Khan, Eweje and Sajjad (2016) undertook an investigation on whether there is an increase in the voluntary or mandatory corporate social and environmental disclosure practices in Pakistan following the issuance of corporate governance guidelines in 2013. Also to ascertain the effect of the industry type, the board size, board independence, and female directors, firm size leverage and profitability on voluntary or mandatory corporate social and environmental disclosure for the period of 5 years (2010-2014). The study found that there was a significant increase in a mean of corporate social and environmental disclosure following the introduction of corporate social responsibility guidelines in 2013. Furthermore, the study found that industry type, the board size, independent directors, female directors and firm size to be positively related to CSED.

3.0 METHODOLOGY

In other to examine voluntary or mandatory disclosure of financial information by listed corporate entities in Nigeria from the stakeholders' perspective, the study explored exploratory research design using context analysis where related literature on voluntary and mandatory disclosure of financial information was reviewed. The study's review cuts across the developed and developing economies based on the global regulatory and disclosure requirements framework and some counties' specific level of compliance and from the stakeholder's contextual perspective.

4. Conclusion and Recommendations

While there have been vast literature studying disclosure of information, there are far fewer comparative studies addressing voluntary or mandatory disclosures of financial information in listed corporate entities in Nigeria. In addressing this gap and contributing to knowledge, this study examined voluntary or mandatory disclosure of financial information disclosure by listed corporate entities in Nigeria. It was observed that Nigerian after the adoption of International Financial Reporting Standards (IFRS), had shown some levels of mandatory information disclosures, however, the level of voluntary compliance is still uncertain. The study recommended a more legal and regulatory framework strict enforcement in this regard.
Financial Reporting Council of Nigeria (FRCN) should intensify efforts to ensure mandatory disclosure compliance of financial information by listed corporate entities in Nigeria, and to enhance transparency, and credibility of financial reports in Nigeria.

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