05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

THE RELATIONSHIP BETWEEN QUALITY OF DISCLOSURE IN COPORATE ANNUAL REPORTS AND FIRM-SPECIFIC CHARACTERISTICS: THE CASE OF NACRA

BY

NOORAISAH BINTI KATMUN/ KATMON

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

A THESIS SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF SCIENCE IN ACCOUNTING

KULIYYAH OF ECONOMICS AND MANAGEMENT SCIENCES
INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA

FEBRUARY 2004

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

ABSTRACT

This study empirically examined the relationship between firm-specific characteristics and the quality of disclosure of company annual reports in Malaysia. Due to the increasing need of users towards accounting information, a full, quality and transparent disclosure must to be provided by companies. As a measurement of quality, the present study used the NACRA as a benchmark of sound quality of reporting. Firms that won NACRA were considered as firms that provided quality of disclosure in their annual reports. The independent variables tested in this study were firm size, ownership structure, leverage and profitability. The match-paired sample comprises 52, 56 and 66 firms that won and lost NACRA during the years 1999, 2000 and 2001. This study used descriptive statistics, Mann-Whitney U test, Logistic regression and Linear regression (as the test of robustness) to test the hypotheses. Results show that ownership structure is the only variable found to be significant in influencing the level of disclosure by firms in Malaysia. Nevertheless, this study also realizes some limitations like the small number of independent variables tested and the small size of sample.

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

ملخص البحث

يقوم هذا البحث تجريبيا بدراسة العلا قة بين مميّزات الشّركة الذّاتية وبين درجة جودة نشر المعلوما ت في تقريرهاا لسنوي في ماليزيا.ونظرا لإزدياد حاجةالمستخدمين نحو معلوما ت المحاسبة، فإنّ النشر الكامل والجليّ عن المعلوما ت وعلى درجة عالية من الجودة من جانب الشّركا ت أ صبح أمرا لازما. في هذا البحث استخدمنا شركة ناكرا كمقيا س مثالى للجودة في إعطاء تقاريرسليمة و موثوقة. وبناء على ذاك تم مقارنة الشّركات الاخرى بشركة ناكرا،وعليه فإن الشّركات المتفوقة على شركة ناكرا تعتبر من ضمن الشّركات التي زودّ ت تقاريرسنويّة ذات جودة في النشر. ومن بين ا لعوامل ا لمتغيّرة ا لمستقلّة التي تم ا ختبارها في هذه الدّرا سة عامل حجم ا لشركة، وهيكل ا لملكية للشركة،وعامل التأ ثير(نسبة الدين)، وعامل الربحيّة. وشملت ا لعيّنة التي أجريت لهاالمقا رنتة ثنائيا/ زوجيا 56,52، و 66 شركة التي فا زت أ و خسرت أمام شركة ناكرا في خلال السنوا ت 2001,2000,1999. واستخدمت هذه الدّ راسة إ ختبا رات مان-وايتني يو، وتحليل الإنحدارالوجستيكي والإنحدا ر الخطّيّ (كأداة إختبارذات فاعلية قويّة) لإ ختبا رالفرضيّات المطروحة. وحسب النتائج التي توصلنا إليها فقد ظهر لنا أن معامل هيكل الملكية للشركة هو العامل المتغيّر الوحيد الذي له أ همية كمؤثرعلى مستوى نشر المعلومات في التقارير السّنوية لدى الشّركا ت في ماليزيا. ومع ذاك فإن هذا البحث يعترف بأن له محدودية نظرا لقلة عدد المتغيرات المستقلّة التي تم إختبارها وأيضا لصغر حجم العيّنة المستخدمة في هذا البحث

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

APPROVAL PAGE

I certify that I have supervised and read this study and that in my opinion, it conforms to acceptable standards of scholarly presentation and is fully adequate, in scope and quality, as a thesis for the degree of Master of Science in Accounting.

Hafiz Majdi Abdul Rashid
Supervisor

I certify that I have read this study and in my opinion, it conforms to acceptable standards of scholarly presentation and is fully adequate, in scope and quality, as a thesis for the degree of Master of Science in Accounting.

Fatimah bte Abdul Hamid
Examiner

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

The thesis was submitted to the Department of Accounting and is accepted as a partial fulfillment of the requirements for the degree of Master of Science in Accounting.

Shahul Hameed Hj Mohamed Ibrahim
Head, Department of Accounting

The thesis was submitted to the Kuliyyah of Economics and Management Sciences and is accepted as a partial fulfillment of the requirements for the degree of Master of Science in Accounting.

Mansor Ibrahim
Dean, Kuliyyah of Economics and Management Sciences

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

DECLARATION

I hereby declare that this thesis is the result of my own investigation, except where otherwise stated. Other sources are acknowledged by footnotes giving explicit references and a bibliography is appended.

Name: NOORAISAH BINTI KATMUN@KATMON

Signature: ..... Date: 12/03/2004

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA

DECLARATION OF COPYRIGHT AND AFFIRMATION OF FAIR USE OF UNPUBLISHED RESEARCH

Copyright @ 2003 by Nooraisah binti Katmun@ Katmon. All rights reserved.

THE RELATIONSHIP BETWEEN QUALITY OF DISCLOSURE IN CORPORATE ANNUAL REPORTS AND FIRM SPECIFIC CHARACTERISTICS: THE CASE OF NACRA

No part of this unpublished dissertation may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without prior written permission of the copyright holder except as provided below.

1. Any material contained in or derived from this unpublished dissertation may only be used by others in their writing with due acknowledgement
2. The IIUM or its library will have the right to make and transmit copies (print or electronic) for institutional and academic purposes
3. The IIUM library will have the right to make, store in retrieval system and supply copies of unpublished dissertation if requested by other universities and research libraries

Affirmed by Nooraisah binti Katmun@ Katmon

Signature

12/03/2004

Date

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

I dedicate this dissertation to:

My beloved husband, Halil.

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

ACKNOWLEDGEMENT

In the name of Allah the Most Gracious the Most Merciful

Praise be only to ALLAH Al Mighty for his bounty and blessing showers upon us, and peace be upon prophet Muhammad, his family, his companions, and his followers until the end of the day.

My special thanks goes to my supervisor, Dr. Hafiz Majdi bin Abd Rashid, for his guidance, understanding, tolerance, comments, suggestions, and his patience from the beginning until the completion of this thesis.

I am also indebted to unstated numbers of people who have helped me directly and indirectly in the completion of this thesis. Hope this research becomes a useful resource in the future. Wassalam

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

TABLE OF CONTENTS

Abstract (English Version)..... ii
Abstract (Ababic Version) iii
Approval Page..... iv
Declaration Page..... v
Dedication..... vii
Acknowledgements..... viii
List of Tables..... xi
List of Abbreviations..... xiii

CHAPTER 1: INTRODUCTION..... 1
1.1 Background..... 1
1.2 Objectives and Contribution of the Study..... 4
1.3 Organization of the Study..... 5

CHAPTER 2 : INSTITUTIONAL BACKGROUND..... 7
2.1 NACRA in Malaysia..... 7
2.1.1 The Awards..... 8
2.1.2 The Certificate of Merit..... 9
2.2 NACRA Criteria..... 10
2.2.1 Specific Criteria..... 10
2.2.2 General Criteria..... 13
2.3 Adjudication Process..... 16
2.3.1 Preliminary Screening..... 16
2.3.2 Detailed Adjudication..... 17
2.4 Entry Requirements 18

CHAPTER 3 : LITERATURE REVIEW..... 19

CHAPTER 4 : RESEARCH METHODOLOGY..... 40
4.1 Hypothesis Developments..... 40
4.1.1 Firm Size..... 42
4.1.2 Ownership Structure..... 45
4.1.3 Leverage..... 47
4.1.4 Profitability..... 49
4.2 Nature of Research..... 50
4.3 Source of Data..... 51
4.4 Period of the Observation..... 52
4.5 Techniques of the Analysis..... 53
4.5.1 Descriptive Statistics..... 53
4.5.2 Mann-Whitney U Test..... 53
4.5.3 Spearman's rho Correlation..... 54
4.5.4 Logistic Regression..... 55
4.5.5 Linear Regression..... 55
4.6 Model Development..... 56

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

CHAPTER 5 : EMPIRICAL RESULTS AND DISCUSSIONS..... 57
5.1 Descriptive statistics..... 57
5.2 Univariate Test: Mann-Whitney U Test..... 66
5.3 Spearman Correlation..... 72
5.4 Multivariate Analysis: Logistic Regression..... 77
5.5 Multivariate Analysis: Linear Regression..... 84
5.6 Additional Tests..... 93

CHAPTER 6 : CONCLUDING REMARKS AND LIMITATIONS..... 94

BIBLIOGRAPHY..... 98

APPENDIX 1..... 105

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

LIST OF TABLES

Table No.	Title of the Tables	Page
2.1	KLSE Industrial Sectors	9
5.1 (A)	Descriptive Statistics for the Firm Size for the Years 1999, 2000, 2001 and 1999-2001	58
5.1 (B)	Descriptive Statistics for Ownership Structure (in %) for the Years 1999, 2000, 2001 and 1999-2001	60
5.1 (C)	Descriptive Statistics for Leverage (in ratio) for the Years 1999, 2000, 2001 and 1999-2001	61
5.1 (D)	Descriptive Statistics for Profitability (in ratio) for the Years 1999, 2000, 2001 and 1999-2001	64
5.2 (A)	Mann-Whitney U Test of NACRA Winners and Losers for the Year 1999	66
5.2 (B)	Mann-Whitney U Test of NACRA Winners and Losers for the Year 2000	67
5.2 (C)	Mann-Whitney U Test of NACRA Winners and Losers for the Year 2001	70
5.2 (D)	Mann-Whitney U Test of NACRA Winners and Losers for the Years 1999-2001	71
5.3 (A)	Spearman Correlation of the Independent Variables for the Year 1999	73
5.3 (B)	Spearman Correlation of the Independent Variables for the Year 2000	74
5.3 (C)	Spearman Correlation of the Independent Variables for the Year 2001	75
5.3 (D)	Spearman Correlation of the Independent Variables for the Years 1999-2001	76
5.4 (A)	Empirical Test on the Relationship Between Quality of Disclosure (Disclosure) and Firm-Specific Characteristics of NACRA Winners and Losers in the Year 1999	77
5.4 (B)	Empirical Test on the Relationship Between Quality of Disclosure (Disclosure) and Firm-Specific Characteristics of NACRA Winners and Losers in the Year 2000	79

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

List of Tables: Continued

5.4 (C)	Empirical Test on the Relationship Between Quality of Disclosure (Disclosure) and Firm-Specific Characteristics of NACRA Winners and Losers in the Year 2001	80
5.4 (D)	Empirical Test on the Relationship Between Quality of Disclosure (Disclosure) and Firm-Specific Characteristics of NACRA Winners and Losers in the Years 1999-2001	82
5.5 (A)	Empirical Test on the Relationship Between Quality of Disclosure (Disclosure) and Firm-Specific Characteristics of NACRA Winners and Losers in the Year 1999	84
5.5 (B)	Empirical Test on the Relationship Between Quality of Disclosure (Disclosure) and Firm-Specific Characteristics of NACRA Winners and Losers in the Year 2000	86
5.5 (C)	Empirical Test on the Relationship Between Quality of Disclosure (Disclosure) and Firm-Specific Characteristics of NACRA Winners and Losers in the Year 2001	88
5.5 (D)	Empirical Test on the Relationship Between Quality of Disclosure (Disclosure) and Firm-Specific Characteristics of NACRA Winners and Losers in the Years 1999-2001	89

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

LIST OF ABBREVIATIONS

AFM	Amman Financial Market
ANOVA	Analysis of Variance
DTA	Debt to Assets Ratio
DTE	Debt to Equity Ratio
IAS	International Accounting Standards
IASC	International Accounting Standards Committee
KLSE	Kuala Lumpur Stock Exchange
MACPA	Malaysian Association of Certified Public Accountants
MIA	Malaysian Institute of Accountants
MICPA	Malaysian Institute of Certified Public Accountants
MIM	Malaysian Institute of Management
MNC	Multinational Corporation
NACRA	National Annual Corporate Report Awards
NZSE	New Zealand Stock Exchange
OLS	Ordinary Least Square
ROA	Returns on Assets
ROS	Returns on Sales
SSE	Swedish Stock Exchange
VIF	Variance Inflation Factors
VSE	Valencia Stock Exchange
ZSE	Zimbabwe Stock Exchange

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

CHAPTER ONE

INTRODUCTION

1.1 Background

The stable performance of Malaysian stock market has attracted local and overseas investors. One possible reason contributing to this stability is the continuous efforts by the government to increase transparency and corporate governance among public-listed companies. Since corporations' stakeholders depend on the annual reports as a main source of information, the sound and quality disclosure of annual reports is vital as communication tools between the company and them. The annual report not only reflects the performance and financial health of the company, it also contains information about the company's vision, its governance structure, the various initiatives it has undertaken to promote the interest of its stakeholders and to conserve the environment, and its plans for the future.

Consistent to the vision of building a significant economic growth in Malaysia, the quality of disclosure in annual reports is an important element to build the confidence of the stakeholders which indirectly contribute towards nation building. Quite an extent of literature has been done in the area of quality of disclosure in annual reports. However, evidence to the Malaysian environment is limited. Due to the lack of information and research in this field, this paper, therefore hopes to contribute to the extent of knowledge and understanding of the academics and practitioners on the issue of disclosure quality.

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

In brief, this study empirically examined the relationship between the quality of disclosure in the annual reports by firms listed in Kuala Lumpur Stock Exchange (KLSE) and four firm specific characteristics namely: firm size, ownership structure, leverage, and profitability. Previous research normally developed a disclosure index as a dependent variable of their research. This disclosure index contains a list of mandatory and/or voluntary items that should be disclosed by a company. The drawback of disclosure index is the subjectivity involved in its development and measuring disclosure quality. However, this study used the National Annual Corporate Report Awards (NACRA) as an alternative of the disclosure index in assessing disclosure quality. In Malaysia, the existence of NACRA is designed to promote excellence in the presentation and reporting of information by organisations to their stakeholders. The awards are given to the company that provide the best, full and quality disclosure in their corporate reports. The sample in this research comprised 26, 28 and 33 matched pair firms that were considered as winners and losers in term of NACRA for the years 1999, 2000 and 2001.

Kohler (1957) refers the concept of disclosure as a clear showing of a fact or condition on a balance sheet or other financial statements, in footnotes thereto, or in the audit report while Owusu-Ansah (1998) defines disclosure as the communication of economic information, whether financial or non-financial, quantitative or otherwise concerning a company's financial position and performance. It seems that both scholars agree that disclosure should show the true colours of firm's performance, and it is not only restricted to the financial information *per se*. In defining disclosure, Parker (1992) extends the opinion by highlighting the function of the users. He posits

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

that disclosure is the reporting of information to users of accounting reports, especially to investors. He also argues that disclosure can be both mandatory as well as voluntary.

Gibbins, Richardson and Waterhouse (1990) argue that companies develop disclosure strategies in response to both internal and external condition. Therefore, it seems that the firm's disclosure decisions are primarily to satisfy the need of their users as well as the requirement by the regulators. Thus, to attain this aim, firms need to provide quality disclosure in their corporate annual report to fulfil the needs of both internal and external parties. Conceptually, disclosure of information in corporate financial reports is considered "adequate" if it is relevant to the needs of users, capable of fulfilling those needs, and timely released (Buzby, 1974; Wallace, 1987). In other words, adequate disclosure in a corporate financial report is a function of the quantity and quality of information disclosed therein, the form in which they are presented and how frequent and timely they are publicly reported (Owusu-Ansah, 1998).

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

Actually, the quality of disclosure is not measured by the long beautiful words or the colourful image in the annual report. Singhvi and Desai (1971) stressed that the quality of disclosure lies in the completeness, accuracy and reliability of information itself. Thus, regardless of whether that information is mandatory or voluntary, it is not useful to the users unless the information provided is true and fair.

Thus, the extent of disclosure *per se* (e.g., thickness of annual reports) does not necessarily ensure quality financial reporting. Therefore, in order to solve such a

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

problem, the selection of information that is deemed relevant to stakeholders is beneficial. This could be performed by individual researchers or professional authorities.

The only main criticism of the individually developed disclosure index is its subjectivity. Therefore, the study utilised a professionally developed measure, i.e., NACRA, as the measure of quality financial reporting.

1.2 Objectives And Contributions Of The Study

This research has two main aims. The first is to identify the firm-specific characteristics that influence the award of NACRA (i.e., quality reporting) in Malaysia for the years 1999, 2000 and 2001. A comparison between the two groups of sample (i.e., winners and losers) will be done. It is important to investigate the features of the firms that won NACRA and vice versa because it will provide evidence whether the winners and losers are those firms that have similar or different types of characteristics by comparing means between two groups.

The second objective is to assess whether a number of independent variables (viz. firm size, ownership structures, leverage and profitability) affect the level of quality of the disclosure in the corporate reports. This study tries to determine the relationship and the importance of these firm-specific characteristics towards the quality of disclosure by regressing firm-specific characteristics on quality financial reporting.

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

This research extends our understanding about the characteristics of the firms that won the NACRA. This information may be useful as a guideline for companies or preparers of accounting information, which intend to improve the quality of disclosure in their annual reports. In addition, the users of annual reports will also have some information about the disclosure level of companies in Malaysia. Since this type of research, which analysed comprehensive disclosure level is quite limited in Malaysia, this paper hopes to contribute some knowledge and understanding about the quality of disclosure of annual reports in Malaysia. Furthermore, the empirical findings from this study can also be used as a reference for future research.

1.3 Organization Of The Study

This research comprises of six chapters and they are organised as follows:

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

CHAPTER ONE: INTRODUCTION

Chapter one consists of the background of the study, objectives and the contributions of the study.

CHAPTER TWO: INSTITUTIONAL BACKGROUND

This chapter will discuss the objectives of NACRA in Malaysia, the organisers, the participants in NACRA competitions, the meaning of quality disclosure in annual report as well as the process of winners' selection.

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

CHAPTER THREE: LITERATRE REVIEW

This chapter will review some previous research on the disclosure of annual reports and firm-specific characteristics. This type of study is done in various countries including United Kingdom, Japan, Zimbabwe, Malaysia and others.

CHAPTER FOUR: METHODOLOGY OF RESEARCH

Chapter four comprises the hypothesis development, nature of study, sampling procedures, data collection, selection of periods of study, statistical analyses that have been used in this study: descriptive statistics, Mann-Whitney test, Spearman correlation and Logistic regressions. The theoretical assumption and empirical findings from previous research will be used to develop the hypotheses. This part will also discuss in detail each independent and dependent variable tested in this study.

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi

CHAPTER FIVE: EMPIRICAL RESULTS AND DISCUSSION

Chapter five will discuss the results and findings of the statistical analyses on the relationship between quality financial reporting and firm-specific characteristics.

CHAPTER SIX: CONCLUDING REMARKS AND LIMITATIONS

The last chapter concludes the study and discusses its limitations. Some recommendations on further enhancement of this research in the future will be outlined in this chapter.

05-4506832 pustaka.upsi.edu.my Perpustakaan Tuanku Bainun Kampus Sultan Abdul Jalil Shah PustakaTBainun ptbupsi