

AUDIT COMMITTEE EFFECTIVENESS AND CORPORATE TUNNELLING

BY

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**A PROJECT SUBMITTED TO THE DEPARTMENT OF ACCOUNTING, FACULTY
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CERTIFICATION

We, the undersigned, hereby certify that this research work was carried out by ODIASE IYORE IRENE in the Department of Accounting, Faculty of Management Science, University of Benin, Benin City, Nigeria. It is the adequate scope and quality in partial fulfilment of the requirement for the award of Post Graduate Diploma in Accounting (PGD)

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DEDICATION

This work is dedicated to God Almighty the Beginning and the End. The work is also dedicated to my wonderful Wife and Children.

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I give all glory and honour to God Almighty for His grace, strength, wisdom, and guidance throughout the course of this programme and the successful completion of this project.

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ABSTRACT

This study examines the effect of audit committee effectiveness on corporate tunnelling among listed consumer goods firms in Nigeria, with a particular focus on audit committee size, independence, and financial expertise. This study examines the effect of audit committee effectiveness on corporate tunnelling in listed firms, with specific focus on audit committee size, audit committee independence, and audit committee expertise as key dimensions of audit committee effectiveness.

The study adopts an ex-post facto research design and utilizes secondary data obtained from the annual reports of selected listed firms over a specified period. Descriptive statistics, correlation analysis, and multiple regression techniques are employed to analyze the relationship between audit committee characteristics and corporate tunnelling. Audit committee size is measured by the number of members in the committee, audit committee independence by the proportion of independent non-executive directors, and audit committee expertise by the financial and accounting knowledge possessed by committee members.

The findings reveal that audit committee independence and audit committee expertise have significant negative effects on corporate tunnelling, indicating that independent and financially knowledgeable audit committees are more effective in reducing opportunistic managerial activities and protecting shareholders' interests. However, audit committee size shows a mixed relationship with corporate tunnelling, suggesting that merely increasing committee membership does not necessarily enhance monitoring effectiveness.

The study concludes that effective audit committees play a critical role in curbing corporate tunnelling and improving corporate governance practices. The study therefore recommends that firms should strengthen the independence and professional competence of audit committee members to enhance oversight functions and reduce the likelihood of resource expropriation within organizations.

CHAPTER ONE INTRODUCTION

1.1 Background of the Study

Corporate tunnelling has become a major concern in corporate governance discussions across both developed and emerging economies. Tunnelling refers to the transfer of company resources and assets by controlling shareholders or managers for their personal benefit at the expense of minority shareholders and the overall organization. These practices may occur through related-party transactions, asset misappropriation, excessive executive compensation, transfer pricing, or other forms of financial manipulation. In many cases, tunnelling weakens investor confidence, reduces firm value, and damages the reputation of corporations.

The increasing occurrence of financial scandals and governance failures has drawn attention to the role of audit committees in ensuring transparency and accountability within organizations. An audit committee is an important mechanism of corporate governance responsible for overseeing financial reporting, internal control systems, risk management, and the activities of external auditors. The effectiveness of the audit committee is often measured through factors such as independence, expertise, meeting frequency, size, and diligence in carrying out oversight responsibilities.

An effective audit committee is expected to reduce opportunities for corporate tunnelling by strengthening monitoring processes and ensuring that management actions align with shareholders' interests. Through proper supervision of financial disclosures and related-party transactions, audit committees can help detect and prevent fraudulent activities that may lead to the diversion of corporate resources. However, in some firms, weak audit committees characterized by lack of independence, insufficient expertise, or poor oversight may fail to curb opportunistic behaviour by dominant shareholders and executives.

In Nigeria and many other emerging economies, corporate tunnelling remains a significant challenge due to weak institutional frameworks, ownership concentration, and inadequate enforcement of corporate governance regulations. Despite regulatory reforms aimed at improving governance practices, cases of insider abuse and expropriation of company resources continue to exist. This situation raises concerns about whether audit committees are truly effective in protecting shareholders' interests and promoting corporate accountability.

Therefore, this study seeks to examine the relationship between audit committee effectiveness and corporate tunnelling, with the aim of determining whether effective audit committee mechanisms can reduce the occurrence of tunnelling activities within firms.

Statement of the Research Problem

Corporate tunnelling has remained a persistent challenge in many organizations, particularly in emerging economies where ownership structures are highly concentrated and corporate governance mechanisms are relatively weak. In many firms, controlling shareholders and top executives often exploit company resources for personal gain through related-party transactions, asset diversion, and other unethical financial practices. These activities negatively affect minority shareholders, reduce firm performance, and weaken public confidence in corporate institutions.

Despite the establishment of audit committees as a key corporate governance mechanism, incidents of financial abuse and resource expropriation continue to occur in several organizations. This raises concerns about the effectiveness of audit committees in monitoring management activities and preventing tunnelling practices. Although audit committees are expected to ensure transparency, accountability, and proper financial reporting, some

committees may lack the independence, expertise, or diligence required to perform these responsibilities effectively.

In Nigeria, several corporate failures and financial scandals have highlighted weaknesses in governance structures and oversight functions within firms. Regulatory authorities have introduced various corporate governance codes to strengthen audit committee functions; however, the extent to which these committees effectively reduce corporate tunnelling remains unclear. Existing studies have largely focused on audit committee effectiveness and firm performance, financial reporting quality, or earnings management, while limited attention has been given to its relationship with corporate tunnelling.

Consequently, there is a need to investigate whether effective audit committees can significantly curb tunnelling activities and protect shareholders' interests. This study therefore seeks to examine the impact of audit committee effectiveness on corporate tunnelling, with a view to providing empirical evidence that can enhance corporate governance practices and improve organizational accountability.

1.3 Research Questions

In line with the objectives of this study, the following research questions are raised:

1. How does audit committee size influence corporate tunnelling in listed consumer goods firms in Nigeria?
2. What is the relationship between audit committee independence and corporate tunnelling in listed consumer goods firms in Nigeria?
3. To what extent does audit committee financial expertise affect corporate tunnelling in listed consumer goods firms in Nigeria?

1.4 Research Objectives

The main objective of this study is to examine the relationship between audit committee attributes and corporate tunnelling in listed consumer goods firms in Nigeria. The specific objectives are to:

1. Investigate the relationship between audit committee size and corporate tunnelling in listed consumer goods firms in Nigeria.
2. Examine the connection between audit committee independence and corporate tunnelling in listed consumer goods firms in Nigeria.
3. Assess the influence of audit committee financial expertise on corporate tunnelling in listed consumer goods firms in Nigeria.

1.5 Hypotheses of the Study

The following null hypotheses are formulated in line with the research objectives:

H₀₁: There is no significant relationship between audit committee size and corporate tunnelling in listed consumer goods firms in Nigeria.

H₀₂: There is no significant relationship between audit committee independence and corporate tunnelling in listed consumer goods firms in Nigeria.

H₀₃: There is no significant relationship between audit committee financial expertise and corporate tunnelling in listed consumer goods firms in Nigeria.

1.6 Scope of the Study

This study investigates the relationship between audit committee attributes and corporate tunnelling in consumer goods firms listed on the Nigerian Exchange Group (NGX) within the period 2019 to 2023. The consumer goods sector is a critical part of Nigeria's economy, contributing significantly to industrial output and household expenditure. Concentrating on this sector provides an opportunity to understand how corporate governance mechanisms influence firms that have strong market presence and significant impact on the economy.

The study focuses on three audit committee attributes, namely size, independence, and financial expertise, and evaluates how they relate to corporate tunnelling. Corporate tunnelling is measured using related party transactions as the primary proxy. Data for the study will be drawn from the audited annual financial statements of consumer goods firms listed on the NGX.

The firms covered are those with established operations, active market participation, and consistent auditing records. They cut across sub-sectors such as food and beverages, household products, and retail, and include both domestic and multinational companies. With this focus, the study aims to contribute to understanding how audit committee attributes influence tunnelling practices in Nigeria's consumer goods sector.

1.7 Significance of the Study

This research is expected to make meaningful contributions to the study of corporate governance and financial accountability.

For policy makers and regulators, the study will show how audit committee attributes help reduce corporate tunnelling. The findings will provide evidence that can guide the development of governance frameworks aimed at improving transparency, accountability, and shareholder protection in the Nigerian capital market.

For investors and shareholders, particularly minority investors, the study highlights how audit committee size, independence, and financial expertise influence tunnelling through related party transactions. This will help investors to make more informed decisions when evaluating the governance quality of firms.

For scholars and academics, the research expands knowledge on audit committee effectiveness in developing economies where weak enforcement and concentrated ownership structures make governance particularly challenging. It also opens opportunities for further

studies on how audit committees can prevent other forms of financial misconduct beyond tunnelling.

By focusing on the Nigerian consumer goods sector, the research enriches understanding of governance in emerging markets and provides material for comparative analysis across industries and countries.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews relevant literature on audit committee effectiveness and corporate tunnelling. It provides conceptual clarifications of the study variables, discusses the theoretical framework guiding the research, examines empirical studies on the subject, and highlights gaps in existing knowledge. The review establishes the foundation upon which the study is built and justifies its relevance within the Nigerian corporate governance context.

2.2 Conceptual Review

2.2.1 Corporate Tunnelling

Corporate tunnelling has emerged as one of the most persistent challenges in corporate governance, particularly in emerging economies where ownership concentration is high and the enforcement of minority shareholder rights remains weak. At its core, tunnelling refers to the transfer of resources from a company to its controlling shareholders or related entities in a manner that disproportionately benefits insiders while eroding the value available to other shareholders. Shleifer and Vishny first popularised the term in the 1990s to describe the various ways insiders extract private benefits at the expense of dispersed investors, but in more recent years the concept has been refined and contextualised within developing markets (Liu et al., 2021; Ullah et al., 2021). Contemporary scholars widely define corporate tunnelling as any self-dealing activity that results in the expropriation of corporate assets or profits by those who exercise control, typically under the guise of legitimate financial or operational transactions (Ashara et al., 2022; Suluo et al., 2024).

Several forms of tunnelling have been identified in the literature. One common form is asset tunnelling, where controlling shareholders transfer valuable physical or financial assets from the company to themselves or their affiliates at below-market prices. Another form is

earnings tunnelling, which often occurs through inflated expenses, related party loans, or manipulated transfer pricing arrangements that channel profits away from the company to related parties. Scholars also discuss equity tunnelling, where controlling shareholders issue shares in a way that dilutes minority holdings while consolidating control (Chen et al., 2022; Choi et al., 2023). In the Nigerian context, the most observable and measurable manifestation of tunnelling is through related party transactions (RPTs). These transactions, when conducted at arm's length and disclosed transparently, may be legitimate and even beneficial to the firm. However, in environments characterised by weak regulatory enforcement, RPTs frequently become a vehicle for asset diversion, allowing controlling shareholders to move resources away from the firm to private accounts or affiliated entities with minimal scrutiny (Benichou, 2024; Alawaqleh & Almasri, 2021).

Measurement of tunnelling has long posed a challenge to researchers, since many self-dealing transactions are concealed within complex corporate structures. Nevertheless, RPTs have become the most widely accepted empirical proxy for tunnelling in governance research, particularly in emerging markets (Abdeljawad et al., 2020; Attia, 2025). Researchers typically operationalise tunnelling by examining the ratio of related party transactions to total assets or revenues, which provides a quantifiable indicator of the extent to which insiders rely on such dealings to extract resources (Ullah et al., 2021; Manea & Nor, 2019). This approach is particularly useful in Nigeria, where corporate reports disclose related party dealings under International Financial Reporting Standards (IFRS) requirements, although the quality and completeness of disclosure often vary from firm to firm. By measuring the proportion of RPTs relative to a firm's total resources, scholars can estimate the scale of expropriation risk faced by minority shareholders and evaluate the effectiveness of governance mechanisms such as audit committees in mitigating such practices (Salia et al., 2019; Firoozi & Magnan, 2022).

The implications of corporate tunnelling are profound for both corporate governance and the protection of minority shareholders. From a governance perspective, tunnelling undermines the integrity of the firm by distorting financial statements, reducing transparency, and weakening trust between managers, boards, and investors (Shbeilat, 2023; Almashhadani & Almashhadani, 2023). The diversion of assets through tunnelling reduces firm value, discourages investment, and in the long run may erode the competitiveness of entire sectors. Empirical evidence shows that markets penalise firms perceived to engage in high levels of RPT-based tunnelling with lower valuations and higher costs of capital, since investors demand compensation for the additional risk of expropriation (Dzomira, 2020; Suluo et al., 2024).

For minority shareholders, tunnelling represents a direct violation of their rights. Since controlling shareholders or managers often dictate board composition and exercise significant influence over financial reporting, minority investors are left with limited avenues for redress (Almashhadani & Almashhadani, 2023; Chen et al., 2022). In Nigeria, where consumer goods firms are often family-owned or controlled by a few large shareholders, the risk of tunnelling is even greater. This entrenched control enables insiders to approve self-serving RPTs, exploit information asymmetries, and override weak enforcement mechanisms, leaving minority shareholders vulnerable to systematic wealth erosion (Ashara et al., 2022; Suluo et al., 2024). Such practices not only reduce investor confidence but also discourage foreign portfolio investment, which is critical for the growth of emerging markets.

Tunnelling also undermines the broader objectives of corporate governance codes, which are designed to promote accountability, transparency, and equitable treatment of all shareholders. Governance reforms across Africa, including Nigeria's revised Code of Corporate Governance, stress the importance of independent oversight structures such as audit committees precisely to curb tunnelling risks (Benichou, 2024; Attia, 2025). However, the

persistence of tunnelling practices suggests that regulatory frameworks alone are insufficient without effective monitoring by internal governance organs. Audit committees, when independent, competent, and active, are positioned to scrutinise RPT disclosures and question management decisions that could lead to expropriation. Hence, tunnelling serves as both a governance challenge and a test case for the relevance of audit committees in protecting shareholder value (Ullah et al., 2021; Salia et al., 2019).

Recent scholarship increasingly frames tunnelling not only as a micro-level issue affecting individual firms but also as a macroeconomic problem with implications for financial stability and development. Persistent expropriation of corporate resources weakens capital market integrity, discourages long-term savings, and diverts resources away from productive investment. In economies like Nigeria where capital markets are still developing, widespread tunnelling can perpetuate low levels of investor trust and hinder the mobilisation of funds for growth (Choi et al., 2023; Liu et al., 2021). This broader impact underscores the urgency of empirical research that identifies effective governance mechanisms, such as audit committee effectiveness, that can limit tunnelling and restore confidence in financial reporting.

Corporate tunnelling represents a critical challenge to corporate governance, particularly in environments characterised by ownership concentration and weak regulatory oversight. It encompasses a range of practices, from asset transfers and related party loans to manipulated financial reporting, with related party transactions serving as the most widely accepted empirical measure. The implications of tunnelling extend beyond individual firms, threatening the rights of minority shareholders, eroding investor confidence, and undermining economic development. Understanding its conceptual basis, forms, and measurement is therefore essential to evaluating the role of audit committees in reducing its occurrence in Nigerian listed consumer goods firms.

2.2.2 Audit Committee Effectiveness

Audit committee effectiveness remains one of the most critical pillars of corporate governance, designed to safeguard the integrity of financial reporting and ensure accountability in the use of corporate resources. An effective audit committee is typically characterised by independence, expertise, and active engagement, which collectively enhance its ability to scrutinise management decisions and protect shareholder interests. Scholars argue that the effectiveness of audit committees is a direct reflection of their structural composition and the extent to which they can act without undue influence from controlling shareholders or management (Akpan & Amran, 2021; Aidoo-Buameh & Achina, 2022). The presence of a well-functioning audit committee instils confidence in investors, strengthens transparency in financial disclosures, and reduces the risk of opportunistic behaviour by insiders.

The significance of audit committee effectiveness is especially pronounced in emerging economies, where weak regulatory enforcement and ownership concentration often compromise governance quality. In such contexts, audit committees serve as an internal safeguard that compensates for institutional weaknesses, thereby reinforcing investor trust (Bala et al., 2023; Yahaya & Lawal, 2022). Effective committees monitor related party transactions, oversee the integrity of financial statements, and ensure that management acts in the best interest of all shareholders. By providing independent oversight, they reduce information asymmetry and curb practices such as tunnelling, which disproportionately harm minority shareholders (Okoye et al., 2023; Kurawa & Kabiru, 2021).

Research also suggests that the credibility of an audit committee lies in its ability to function as more than a symbolic structure. While many companies establish audit committees primarily to comply with governance codes, their effectiveness is determined by whether

these committees can challenge management decisions and prevent fraudulent or opportunistic practices. According to Nnadi et al. (2021), the strength of audit committees is reflected in their size, independence, and financial expertise, which collectively determine their capacity to perform oversight roles effectively. These attributes are particularly relevant for Nigerian consumer goods firms, where family ownership structures and concentrated control make it easier for dominant shareholders to influence board processes when audit committees are weak.

2.2.2.1 Audit Committee Size

Audit committee size is another important determinant of committee effectiveness and corporate governance outcomes. Size refers to the number of individuals serving as members of the audit committee. An appropriately sized committee enhances the capacity for effective monitoring by providing diverse perspectives, skills, and experiences. A larger committee is often viewed as better equipped to handle the complex responsibilities of overseeing financial reporting and internal control systems, although excessively large committees may face coordination challenges (Abdul Rauf et al., 2021).

The size of an audit committee directly influences its ability to perform its oversight functions. With more members, the committee has access to a broader pool of knowledge and experience, which improves decision-making and strengthens its ability to challenge management actions. Empirical evidence suggests that larger committees are more likely to detect irregularities, improve the credibility of financial statements, and enhance investor confidence (Eyenubo et al., 2020). For example, studies by Adegbe and Fapohunda (2022) found that firms with relatively larger audit committees were better at monitoring management practices and preventing financial misreporting. Similarly, Hussain et al. (2021) showed that audit committee size positively influences the effectiveness of financial oversight by reducing information asymmetry between managers and shareholders.

In governance research, measurement of audit committee size is usually straightforward, involving a simple count of the number of members. However, scholars differ on the optimal size, with some arguing that larger committees are more effective, while others caution that beyond a certain threshold, the benefits of additional members diminish due to coordination difficulties (Abdeljawad et al., 2020). For the purpose of this study, size will be measured as the total number of members on each firm's audit committee.

The importance of committee size lies in its contribution to monitoring quality and its interaction with other attributes. Larger committees are more likely to include members with diverse expertise, including financial professionals, legal practitioners, and industry specialists, which collectively improves their oversight role. At the same time, a moderately sized committee can enhance independence by diluting the influence of any single member who may be aligned with controlling shareholders. Conversely, excessively small committees risk being dominated by management interests, while overly large committees may become less effective due to free-rider problems and slower decision-making processes (Amin et al., 2021).

In the Nigerian context, where ownership is often concentrated in family-controlled firms, the size of the audit committee becomes particularly important in balancing power structures within the board. Larger committees increase the likelihood of including independent members who can resist undue influence from controlling shareholders. The Nigerian Code of Corporate Governance (2018) requires listed firms to maintain an audit committee of not more than six members, comprising both shareholders and directors, reflecting the regulatory emphasis on appropriate size. Recent studies have confirmed that firms adhering to these provisions demonstrate stronger governance outcomes and reduced opportunities for tunnelling (Olayemi et al., 2023).

In relation to corporate tunnelling, audit committee size is expected to influence the committee's capacity to detect and deter related party transactions that may be used to divert resources. Larger committees with diverse expertise are more likely to scrutinise these transactions thoroughly, reducing the potential for asset expropriation. By contrast, smaller committees with limited oversight capacity may fail to identify such practices, leaving minority shareholders vulnerable.

2.2.2.2 Audit Committee Independence

Audit committee independence is widely regarded as the cornerstone of audit committee effectiveness. Independence refers to the ability of committee members to exercise oversight free from the influence of management, controlling shareholders, or related parties. Independent directors bring objectivity into boardroom deliberations, making them more likely to scrutinise financial reporting processes and detect transactions that may be designed to transfer wealth to insiders. According to Eyenubo et al. (2022), independence ensures that committee members prioritise the collective interest of shareholders rather than aligning with the narrow objectives of dominant stakeholders.

The relevance of independence is anchored in its capacity to enhance effective monitoring. Independent audit committees are better positioned to oversee management activities, question unusual related party transactions, and demand accountability in cases of financial irregularities. Musa and Shehu (2021) emphasise that independence allows audit committees to function as a check on managerial opportunism by reducing information asymmetry between managers and shareholders. In the context of corporate tunnelling, independence ensures that committees are not compromised when reviewing transactions between firms and their affiliates, thereby reducing the likelihood of asset diversion.

Emerging markets present a unique context for understanding audit committee independence. In developed economies, strong legal and regulatory frameworks often support the

independence of board and committee members. In contrast, in countries like Nigeria, concentrated ownership structures, weak legal enforcement, and cultural ties can undermine the independence of committee members. This situation creates room for collusion between management and board members, thereby weakening the committee's capacity to prevent tunnelling (Chikere et al., 2023; Dibia et al., 2021). Scholars such as Adegbie and Adeniran (2022) argue that independence in emerging markets requires not only formal compliance with governance codes but also a shift in institutional norms to ensure that independent directors can act without fear of retribution from controlling shareholders.

The role of independence in curbing tunnelling cannot be overstated. Tunnelling often occurs through related party transactions that are either undisclosed or misrepresented. Independent audit committees are better equipped to demand proper disclosure, review the fairness of such transactions, and, where necessary, block deals that serve insiders at the expense of minority shareholders. Adebisi et al. (2024) found that firms with higher proportions of independent audit committee members reported significantly lower levels of opportunistic transactions in their financial statements, supporting the argument that independence is critical to mitigating tunnelling risk.

Moreover, independence also enhances the credibility of external audits. Independent committees are more likely to engage external auditors objectively, demand high audit quality, and respond appropriately to audit findings. According to Idowu et al. (2023), audit committee independence improves the relationship between the external auditor and the firm, as auditors feel less pressure to conform to management preferences when dealing with an independent oversight committee. This dynamic indirectly reduces the likelihood of tunnelling, since independent committees reinforce the deterrent effect of external audit scrutiny.

Audit committee independence is a critical dimension of audit committee effectiveness, ensuring objectivity in oversight, curbing managerial opportunism, and protecting minority shareholders from the adverse effects of tunnelling. Its importance is magnified in emerging markets like Nigeria, where institutional weaknesses and ownership concentration increase the risks of self-dealing and asset diversion. By strengthening independence, firms can reduce the incidence of corporate tunnelling, enhance the integrity of financial reporting, and improve investor confidence in corporate governance structures.

2.2.2.3 Audit Committee Financial Expertise

Audit committee financial expertise is widely recognised as a key determinant of committee effectiveness and overall corporate governance quality. Financial expertise refers to the presence of committee members with professional qualifications or substantial experience in accounting, auditing, finance, or related fields, which enables them to interpret complex financial information and make informed oversight decisions. According to Al-Mamun et al. (2021), financial literacy equips audit committee members with the capacity to understand audit reports, detect accounting irregularities, and monitor managerial behaviour more rigorously. The importance of financial expertise has increased in recent years with the growing complexity of financial reporting, particularly under International Financial Reporting Standards (IFRS) in Nigeria and other emerging economies, where evaluating disclosures related to related party transactions requires advanced technical competence.

The significance of financial expertise lies in its impact on the committee's monitoring and oversight role. Members with professional accounting or auditing backgrounds are better positioned to interpret technical financial reports, evaluate the quality of risk management systems, and challenge management explanations for unusual or questionable transactions (Okafor et al., 2022). Empirical evidence supports this view, as firms with financially competent audit committees are more likely to produce reliable financial statements, which in

turn reduces the opportunities for managerial opportunism (Abdeljawad et al., 2020; Bananuka et al., 2022). For instance, Almashhadani and Almashhadani (2023) observed that audit committees with a higher proportion of financially literate members were more effective at constraining earnings management. Similarly, Musa and Shehu (2021) argued that financial expertise enhances the committee's ability to coordinate effectively with both internal and external auditors, creating a stronger defence against corporate misconduct.

The measurement of financial expertise in audit committee research generally follows three approaches: (i) the number of members with formal financial qualifications, (ii) the proportion of financially literate members relative to the total committee size, and (iii) a dummy variable capturing the presence of at least one financial expert (Manea & Nor, 2019). For this study, the proportion of financial experts on the committee provides a more comprehensive and consistent measure, since committee sizes vary across firms. This approach recognises that the density of financial knowledge within the committee is more influential than the mere presence of a single expert. As Firoozi and Magnan (2022) demonstrate, committees with a higher proportion of financial experts are better positioned to scrutinise sensitive issues such as related party transactions, asset transfers, and weaknesses in internal control systems that could facilitate tunnelling.

Financial expertise also plays a crucial role in identifying disguised transactions that may be used for tunnelling. Competent committees are able to detect inflated contracts with affiliates, inappropriate intercompany loans, or selective impairment charges that disproportionately benefit controlling shareholders. By demanding comprehensive disclosures and benchmarking related party transactions against industry standards, financially skilled committees help to strengthen investor confidence in the integrity of financial reporting (Choi et al., 2023). Conversely, committees with limited expertise are at a disadvantage, which

increases the risk of misstatements, restatements, or adverse audit opinions (Alawaqleh & Almasri, 2021).

In emerging markets such as Nigeria, financial expertise is especially important. Concentrated ownership structures and weak enforcement of governance codes often expose audit committees to undue influence from dominant shareholders. In such contexts, financial expertise provides a technical safeguard against opportunism even when independence is compromised (Yahaya & Lawal, 2022). The Nigerian Code of Corporate Governance (2018) requires at least one financially literate member on the audit committee, reflecting the institutional importance of this attribute. However, scholars have emphasised that a single expert is insufficient, and that a balanced composition of multiple financially qualified members enhances oversight capacity and collective judgment (Adebisi et al., 2024).

In summary, financial expertise is indispensable for ensuring audit committee effectiveness. It enhances the quality of oversight, strengthens interactions with auditors, ensures the reliability of financial reports, and reduces opportunities for insiders to misuse related party transactions. In relation to corporate tunnelling, financial expertise provides the technical competence needed to scrutinise self-dealing activities, thereby protecting minority shareholders and promoting overall governance quality.

2.2.3 Firm Size (Control Variable)

Firm size is an important contextual variable in governance research, frequently employed as a control factor to account for differences in corporate structure, complexity, and visibility. It is commonly measured using the natural logarithm of total assets, which provides a stable scale for comparison across firms of different magnitudes. The choice of total assets aligns with tunnelling measurement, since related party transactions are often expressed as a proportion of total assets, making the logarithmic measure a consistent and theoretically coherent control (Ullah et al., 2021; Abdeljawad et al., 2020).

The relationship between firm size and corporate governance outcomes is complex. Larger firms are generally expected to have stronger governance frameworks due to their visibility to regulators, investors, and the public (Firoozi & Magnan, 2022). They face greater reputational risks and are therefore more inclined to adopt robust monitoring systems that deter tunnelling. As Suluo et al. (2024) argue, larger firms are subject to more scrutiny, which reduces the likelihood of opportunistic behaviour by insiders. On the other hand, smaller firms may not attract the same level of attention, making it easier for controlling shareholders to engage in related party dealings without detection.

Despite this, firm size can also introduce complexities. Large organisations often have more subsidiaries, cross-border transactions, and diversified operations, which can increase opportunities for tunnelling if oversight is weak (Choi et al., 2023). This dual effect underscores why firm size must be controlled for in empirical analysis, to avoid attributing tunnelling behaviour solely to audit committee characteristics when firm complexity itself plays a role.

The justification for including firm size in this study is both methodological and substantive. Methodologically, controlling for size ensures that the estimated relationship between audit committee effectiveness and tunnelling is not biased by the inherent advantages or disadvantages associated with firm scale. Substantively, acknowledging the role of size highlights the fact that governance challenges differ between large and small firms. By including firm size as a control variable, the study isolates the specific contribution of audit committee attributes to tunnelling outcomes in Nigerian consumer goods firms, thereby improving the validity of the findings (Ashara et al., 2022; Yahaya & Lawal, 2022).

In sum, firm size is an essential control variable in governance research. It captures structural and reputational influences on tunnelling, while allowing the study to focus squarely on the effectiveness of audit committees. Measuring size through the natural logarithm of total

assets provides a reliable and theoretically grounded approach that strengthens the robustness of the empirical analysis.

2.3 Theoretical Review

The theoretical review provides the frameworks that guide this study and explain the relationship between audit committee effectiveness and corporate tunnelling. The study is anchored on Agency Theory, which highlights the conflict of interest between controlling insiders and minority shareholders and the need for strong monitoring mechanisms such as audit committees. To broaden the explanation, Resource Dependence Theory is employed as a supporting framework to emphasise the role of audit committees in providing expertise, legitimacy, and resources that strengthen oversight. In addition, Stewardship Theory serves as a complementary perspective, suggesting that committee members may act as responsible stewards who protect shareholder value and discourage opportunistic practices.

2.3.1 Agency Theory

Agency theory provides the principal foundation for understanding the relationship between audit committee effectiveness and corporate tunnelling. The theory, first articulated by Jensen and Meckling (1976), highlights the inherent conflict of interest between principals (shareholders) and agents (managers) who are entrusted with the control of resources. In the Nigerian context, the agency problem extends further to conflicts between majority and minority shareholders, since controlling owners often dominate decision-making and can exploit company resources through related party transactions that constitute tunnelling.

Agency theory argues that because managers and controlling shareholders may act in their own interest rather than in the best interest of all shareholders, effective governance mechanisms are needed to align incentives and reduce opportunistic behaviour. One such mechanism is the audit committee. Independence within the audit committee reduces information asymmetry by ensuring unbiased oversight of management actions (Adebisi et

al., 2024). Similarly, financial expertise strengthens the committee's capacity to detect manipulation and hidden tunnelling practices embedded in related party dealings (Okoye et al., 2023). Audit committee size also matters because a larger and well-constituted committee increases diversity of perspectives and resources, thereby improving its monitoring capacity and ability to resist undue influence from insiders (Olayemi et al., 2023).

Agency theory is particularly relevant in emerging economies, where weak investor protection magnifies the risk of expropriation. As Yahaya and Lawal (2022) argue, agency conflicts in Nigerian firms are often aggravated by concentrated ownership structures and weak enforcement of governance codes. Audit committee effectiveness therefore acts as an internal corrective mechanism that substitutes for external enforcement. By anchoring this study in agency theory, the research underscores the role of audit committees as monitors designed to minimise tunnelling risks and protect shareholder wealth.

2.3.2 Resource Dependence Theory

Resource dependence theory, developed by Pfeffer and Salancik (1978), views organisations as open systems that rely on external resources for survival. Boards of directors and their committees are therefore not only monitoring devices but also resource providers, contributing expertise, legitimacy, and access to external networks that strengthen governance outcomes. In the context of this study, resource dependence theory helps explain how the composition and attributes of the audit committee influence its ability to constrain tunnelling. Audit committee financial expertise represents a critical resource in this framework. Members with financial literacy provide scarce knowledge that enhances the quality of decision-making and oversight. As Bala et al. (2023) note, audit committees contribute not only control but also valuable guidance that shapes management behaviour and promotes transparency. Independence, while central in agency theory, also functions here as a resource because independent members often bring reputational capital and external linkages that

reinforce accountability (Akinadewo et al., 2023). Size is equally important, as larger committees are more likely to attract members with diverse professional backgrounds, thereby broadening the range of resources available for oversight.

Resource dependence theory is particularly useful in explaining why audit committee effectiveness varies across firms. Committees that attract skilled and reputable members are better able to negotiate with management, demand adequate disclosure of related party transactions, and insist on fair treatment of minority shareholders. Okafor et al. (2022) found that resource-rich boards are less likely to tolerate earnings management and tunnelling, since their reputational interests are tied to the credibility of financial statements. This suggests that audit committees act not only as monitors but also as enablers of good governance by bringing knowledge and legitimacy into the firm.

By applying this theory, the study recognises that the value of audit committees lies not only in their formal existence but also in the quality and diversity of resources they command. Where members possess strong expertise, independence, and adequate size, tunnelling risks are reduced, and investor confidence is strengthened.

2.3.3 Stewardship Theory

Stewardship theory presents an alternative perspective that contrasts with the agency assumption of opportunism. It posits that managers, directors, and committee members are stewards of organisational resources who act in the best interest of shareholders and other stakeholders. Donaldson and Davis (1991) argued that stewards are motivated by pro-organisational values, trust, and collective goals rather than by self-interest alone. Within this framework, the audit committee is viewed not merely as a control mechanism but as a partner in governance that contributes to firm performance by fostering collaboration and trust.

Applied to this study, stewardship theory helps to interpret the role of audit committees in contexts where cultural and institutional norms emphasise loyalty, trust, and shared

objectives. Audit committee members may see themselves as custodians of shareholder value, motivated to prevent tunnelling not only because of monitoring requirements but also out of a sense of responsibility and ethical duty (Bananuka et al., 2022). This perspective is particularly relevant in family-owned firms, which dominate the Nigerian consumer goods sector. In such firms, stewardship motivations may drive committees to balance the interests of majority and minority shareholders, ensuring that related party transactions are conducted fairly.

Recent evidence suggests that stewardship behaviour complements monitoring mechanisms by building a culture of accountability. For example, Akinadewo et al. (2023) found that governance structures based on trust and ethical leadership produced higher levels of compliance with disclosure requirements. In the case of tunnelling, stewardship theory explains why some audit committees may proactively discourage abusive practices even in the absence of strict external enforcement.

By integrating stewardship theory, the study acknowledges that while agency theory highlights the risks of opportunism, governance outcomes are not always adversarial. Committees can function as trustworthy partners that promote transparency, fairness, and accountability, thereby reducing tunnelling and supporting the sustainable performance of Nigerian listed firms.

Together, these three theories provide a holistic basis for the study. Agency theory explains the conflicts that create the need for audit committees, resource dependence theory highlights the importance of the expertise and credibility committees bring, and stewardship theory underscores the possibility of governance based on trust and responsibility. Anchoring the research in these frameworks allows for a robust evaluation of how audit committee effectiveness can mitigate corporate tunnelling in Nigerian consumer goods firms.

2.4 Empirical Review

2.4.1 Audit Committee Size and Corporate Tunnelling

Abu Haija et al. (2024) examined the relationship between audit committee size and earnings management among listed Jordanian firms between 2014 and 2021. Using multiple regression analysis, they found that firms with larger audit committees were significantly less likely to engage in opportunistic earnings practices. This suggests that size strengthens monitoring capacity and reduces the risk of managerial opportunism, which parallels tunnelling behaviour. The limitation, however, was the study's focus on earnings management rather than tunnelling-specific proxies.

Adegbie and Fapohunda (2022) investigated corporate governance attributes, including audit committee size, and their effect on financial reporting credibility among Nigerian listed firms. The results showed that audit committee size was positively associated with reporting quality, implying that larger committees provided stronger oversight and reduced opportunities for self-dealing. The limitation of the study was that it did not isolate tunnelling-related activities such as related party transactions, which limits its direct application to tunnelling.

Hussain et al. (2021) studied 100 firms across Pakistan to evaluate the influence of audit committee characteristics on financial misconduct. Using structural modelling, they reported that larger audit committees reduced information asymmetry and improved overall governance outcomes, thereby limiting the channels through which tunnelling could occur. The study did not, however, measure tunnelling directly, which remains a gap.

Olayemi et al. (2023) focused specifically on Nigerian listed firms and examined the relationship between audit committee characteristics and tunnelling practices. Using panel regression on 25 consumer goods and industrial firms between 2016 and 2021, the study found that firms with larger audit committees experienced significantly fewer related party transactions, suggesting that committee size directly reduces tunnelling activities. A limitation

of this study was its narrow sectoral focus, which reduces the generalisability of the findings across all listed firms.

Amin et al. (2021) explored the optimal size of audit committees in South African firms by analysing governance effectiveness across firms with varying committee compositions. Their findings indicated that moderately larger committees (five to six members) were the most effective at constraining financial irregularities, including tunnelling. However, excessively large committees were associated with coordination challenges and free-rider problems. This highlights the importance of balance in determining committee size.

Collectively, these studies show that audit committee size enhances oversight capacity by providing diversity of expertise and reducing dominance by insiders. While many studies address related concepts such as earnings management and disclosure, relatively few explicitly focus on tunnelling, creating an opportunity for further research in contexts such as Nigeria where tunnelling through related party transactions is widespread.

2.4.2 Audit Committee Independence and Corporate Tunnelling

Almarayeh (2024) investigated the effect of audit committee independence on earnings management practices in developing countries, with specific evidence drawn from the Middle East and North Africa (MENA) region. The study employed a panel dataset covering non-financial firms from 2015 to 2022 and adopted the modified Jones model to capture discretionary accruals as a proxy for earnings management. Using panel regression techniques, the author found that a higher proportion of independent directors on audit committees was strongly associated with reduced earnings manipulation, thus reinforcing the argument that independence strengthens monitoring effectiveness. This study is particularly relevant to the issue of tunnelling, as the same opportunistic managerial behaviours that drive accrual-based manipulation also facilitate related party transactions and other expropriation practices. A key gap highlighted was that the research did not explicitly test tunnelling

behaviour through related party transactions but instead relied on accrual-based measures, limiting direct applicability to tunnelling-specific contexts. The author recommended that future research in emerging economies should broaden the scope of independence tests to cover tunnelling indicators such as the ratio of related party transactions to total assets, which would provide clearer evidence on the protective role of independence against expropriation. Ibrahimi (2025) provided evidence from Morocco, where the study explored the influence of audit committee attributes, particularly independence, on earnings management practices in listed companies. Using a sample of 30 firms observed between 2018 and 2023, the study employed fixed effects regression models to estimate the impact of committee characteristics on discretionary accruals. Results confirmed that audit committee independence had a significant negative relationship with earnings management, consistent with the broader governance literature that independence curtails insider opportunism. Importantly, Ibrahimi contextualised the findings within North African markets, where ownership concentration and weak enforcement increase the risk of tunnelling-like behaviour. The study acknowledged, however, that the small sample size and reliance on secondary financial statement data constrained generalisability. The gap identified was the lack of direct tunnelling measures, such as related party transactions, which would strengthen the empirical link between audit committee independence and tunnelling outcomes in emerging economies.

Algrady (2025) examined audit committee independence and other governance characteristics in relation to earnings management among publicly listed firms in Jordan and neighbouring MENA economies. The study used a balanced panel of 50 companies over the period 2017 to 2023 and applied generalized least squares regression to test the association between independence, frequency of meetings, and firm-level earnings management. Findings indicated that independence and meeting frequency were significant predictors of lower levels of earnings management, while committee size had mixed effects. The author

emphasised that independence acts as a safeguard against insider collusion by ensuring greater objectivity in reviewing financial reports and related party transactions. This aligns directly with the present study's focus on tunnelling, as strong independence provides a barrier against abusive RPTs. The research gap identified was its reliance on earnings management proxies rather than direct tunnelling measures, suggesting the need for replication using RPT-based tunnelling indicators in Nigeria and other sub-Saharan African settings.

Yahaya (2024) investigated the attributes of audit committees in Nigerian consumer goods firms and their effect on financial reporting quality, with independence, expertise, and meeting frequency serving as the main explanatory variables. Drawing on a panel dataset of 20 consumer goods firms listed on the Nigerian Exchange between 2016 and 2022, the study applied multiple regression models to examine the relationship between committee attributes and proxies of reporting credibility. Results demonstrated that audit committee independence significantly improved financial reporting quality by reducing discretionary practices and increasing compliance with IFRS disclosure requirements. This study is highly relevant to tunnelling because improved reporting quality enhances transparency in related party transactions, thereby constraining insiders from diverting resources. Unlike many MENA-based studies, Yahaya's work directly addresses the Nigerian context, providing sector-specific evidence. Nonetheless, the author acknowledged that while independence had a strong association with reporting outcomes, the study did not employ tunnelling-specific measures, leaving scope for further research to link independence directly with related party expropriation.

El-Deeb (2024) expanded the discussion by analysing how audit committee characteristics, including independence and meeting frequency, influence the quality of corporate disclosure among Egyptian firms. Using a cross-sectional dataset of 60 firms across multiple industries,

the study employed disclosure indices as the dependent variable to evaluate transparency levels. The results showed that independence was positively related to higher levels of voluntary disclosure, including more detailed information about related party transactions. This finding directly connects independence with reduced tunnelling risks, as greater disclosure mitigates the concealment of expropriative activities. However, the author noted that disclosure indices may not perfectly capture the substance of tunnelling behaviour, as firms can disclose without necessarily reducing the practice. The gap highlighted was therefore the absence of behavioural or enforcement-based measures of tunnelling, which would give a more accurate picture of the effectiveness of independence.

Attia (2025) provided further evidence by examining non-linear relationships between audit committee attributes and earnings manipulation across listed firms in Egypt. Employing a dynamic panel dataset covering 2015 to 2022, the study used system GMM regression models to address potential endogeneity. Results revealed that audit committee independence had a diminishing marginal effect: while greater independence significantly reduced manipulation, the effect plateaued beyond a certain threshold. This nuanced finding suggests that independence is most effective up to an optimal level, after which additional independent members do not yield proportionate benefits. In the context of tunnelling, this implies that while independence is essential, it must be complemented by expertise and meeting diligence to fully prevent related party expropriation. The author identified the gap that future research should focus on tunnelling-specific metrics, particularly RPT disclosures, to better understand how independence interacts with other attributes to reduce tunnelling risks in emerging economies.

2.4.3 Audit Committee Financial Expertise and Corporate Tunnelling

Alquhaif and Alobaid (2024) examined the influence of audit committee financial expertise on real earnings management in Saudi Arabia, focusing on listed firms between 2015 and

2022. Using panel regression models with accretive share repurchases as a proxy for real earnings manipulation, they found that committees with a higher proportion of financially literate members were significantly better at constraining opportunistic accounting. Although the study did not directly measure tunnelling, it demonstrated that financial expertise reduces practices similar to tunnelling, where insiders covertly shift value from firms to themselves. A key limitation of the study was its reliance on earnings management proxies rather than tunnelling-specific indicators such as related party transactions.

Bawuah et al. (2024) investigated the joint effect of audit committee effectiveness and audit quality on earnings management in 85 firms across sub-Saharan Africa. Their findings indicated that financial expertise was the most significant factor in reducing earnings manipulation, while external audit quality enhanced this effect as a moderating variable. This suggests that financial literacy among audit committee members equips them to critically evaluate complex financial arrangements that might otherwise serve as vehicles for tunnelling. The limitation of the study was its focus on earnings management rather than explicit tunnelling measures, leaving scope for future studies to apply their framework directly to tunnelling contexts.

El-Deeb (2024) studied the effect of audit committee expertise on corporate disclosure quality among Egyptian listed firms. Employing disclosure indices and regression analysis, the results showed that committees with financial experts were associated with higher levels of voluntary disclosure, particularly in relation to related party dealings. The study argued that transparency in disclosures reduces the likelihood of tunnelling. However, its limitation lay in the fact that disclosure quality does not guarantee the absence of tunnelling, as insiders can comply with disclosure rules while still engaging in resource diversion.

Yahaya (2024) assessed the role of audit committee expertise, independence, and meeting frequency in improving financial reporting quality among Nigerian consumer goods firms.

Using panel data from 20 firms between 2016 and 2022, the study found that financial expertise was positively related to reporting credibility. By strengthening the quality of financial reporting, audit committee financial expertise reduces information asymmetry, making it more difficult for controlling shareholders to conceal tunnelling through related party transactions. The limitation was its use of general financial reporting quality indicators, which may not fully capture tunnelling activities.

Mousa et al. (2023) directly examined the interaction between corporate governance mechanisms, audit committee expertise, and related party transactions in listed MENA firms. Applying structural equation modelling, the study showed that committees with greater financial expertise were less likely to allow RPTs to be used opportunistically, suggesting a direct role of expertise in mitigating tunnelling. The study's limitation was its focus on MENA markets, whose institutional settings may differ from those in sub-Saharan Africa.

Overall, these studies highlight the consistent role of financial expertise in reducing managerial opportunism. However, most focus on earnings management and disclosure quality rather than direct tunnelling proxies, leaving a gap for further research in contexts such as Nigeria where related party transactions are a major avenue for tunnelling.

2.5 Gaps in Literature

The review of existing literature reveals that although corporate tunnelling has attracted growing scholarly attention in recent years, important gaps remain, particularly in relation to Nigerian consumer goods firms. First, much of the prior research on tunnelling has focused on developed economies or on broader emerging markets such as MENA and Asia, leaving limited empirical investigation into the Nigerian context. Studies like Yahaya (2024) provide evidence on audit committee attributes and reporting quality in Nigeria, yet few have explicitly linked these governance mechanisms to tunnelling practices, especially through related party transactions which are common in Nigerian firms. This creates a contextual gap

that the present study addresses by situating tunnelling within the Nigerian consumer goods sector.

Second, although audit committee independence, financial expertise, and size are widely recognised as critical dimensions of effectiveness, most empirical work examines their association with broad governance outcomes such as earnings management, financial reporting credibility, or disclosure quality rather than tunnelling-specific indicators. For example, Almarayeh (2024) and Attia (2025) document the role of independence in constraining earnings manipulation, but their analyses rely on accrual-based proxies instead of direct tunnelling measures. This leaves a gap in directly connecting audit committee attributes to tunnelling behaviour, which this study seeks to bridge by adopting related party transactions as the empirical measure.

Third, the literature shows that evidence from emerging economies often suffers from methodological weaknesses. Several studies are limited by small sample sizes, narrow time frames, or reliance on cross-sectional data, which restrict generalisability. Furthermore, many investigations rely solely on secondary disclosures without deeper validation, which may obscure the true extent of tunnelling.

Finally, existing research frequently treats audit committee attributes in isolation rather than integrating them within a single framework. Independence, size, and financial expertise are often examined separately, yet their combined effect may provide stronger explanatory power in constraining tunnelling. The lack of integrative models constitutes a theoretical gap that this study addresses by examining audit committee effectiveness as a multidimensional construct.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter outlines the methodological approach adopted in examining the relationship between audit committee effectiveness and corporate tunnelling among listed consumer goods firms in Nigeria. It presents the research design, population of the study, sample size and sampling technique, sources of data, model specification, operationalisation of variables, and method of data analysis. The methodology is anchored on a quantitative framework using secondary data, enabling objective measurement and empirical testing of the formulated hypotheses.

3.2 Research Design

The study adopted an ex post facto research design to examine the relationship between audit committee attributes and corporate tunnelling in listed consumer goods firms in Nigeria. This design was considered appropriate because both the independent and dependent variables are historical in nature and cannot be manipulated by the researcher. The study covered a five-year period from 2019 to 2023, allowing for an assessment of how audit committee characteristics, specifically size, independence, and financial expertise, influence related party transactions that serve as a proxy for corporate tunnelling.

3.3 Population of the Study

The population of this study consists of all consumer goods companies listed on the Nigerian Exchange (NGX) as of 31st December 2023. According to records from the NGX, there are twenty (20) firms under this sector. These companies were selected because they play a vital role in Nigeria's economic development, are highly visible to stakeholders, and are subject to regulatory monitoring. They also publish annual audited financial statements that include disclosures on related party transactions, which serve as a reliable source of secondary data.

The consumer goods sector is considered suitable for this research because its firms are often family-owned or closely held, which increases the potential for tunnelling activities. By focusing on all listed firms in this sector, the study ensures a comprehensive analysis that enhances the validity and generalisability of the findings.

3.4 Sample Size and Sampling Technique

The study used simple random sampling to select 16 firms from a population of 20 consumer goods companies listed on the Nigerian Exchange as at 31st December 2023. All twenty firms constituted the sampling frame. Random selection without replacement was implemented by assigning unique identification numbers to each firm and drawing sixteen numbers using a random number generator. This approach preserves representativeness, minimises selection bias, and enhances external validity, while also addressing time and resource constraints. In cases where a selected firm is later found to have missing data for any year or variable, the next randomly generated backup firm from the frame is substituted to maintain the required sample size.

3.5 Data Sources and Collection

The study employed secondary data obtained from the published annual reports and audited financial statements of consumer goods companies listed on the Nigerian Exchange. The variables of interest include audit committee size, audit committee independence, and audit committee financial expertise, which represent the independent variables. The dependent variable is corporate tunnelling, measured by the proportion of related party transactions to total assets. Firm size is included as a control variable.

For each of the selected firms, annual reports for the period 2019 to 2023 were reviewed to ensure consistency and comparability. Information relating to audit committee attributes was extracted from the corporate governance sections of the annual reports, while details of related party transactions were obtained from the notes to the financial statements. Firm size

data were drawn from the statement of financial position. This approach ensured that all data were reliable and verifiable. The choice of Nigeria's consumer goods sector is justified by its economic relevance, high visibility, and exposure to public and regulatory scrutiny. The nature of firm ownership structures in this sector increases the risk of tunnelling activities, making it a suitable setting for investigating the relationship between audit committee effectiveness and corporate governance outcomes.

3.6 Model Specification

The econometric model for this study adapts from Attia (2025), who examined the relationship between audit committee attributes and earnings manipulation using panel data. The model is modified to focus on audit committee size, audit committee independence, and audit committee financial expertise as the explanatory variables. Corporate tunnelling, measured as the ratio of related party transactions to total assets, serves as the dependent variable. Firm size is included as a control variable, as larger firms are more likely to attract external oversight and regulatory monitoring, which can influence both committee structures and tunnelling practices.

The functional form of the model is expressed as:

$$COT = f(ACSIZE, ACIND, ACFEX, FSIZE)$$

Where:

COT = Corporate Tunnelling (proxied by Related Party Transactions / Total Assets)

ACSIZE = Audit Committee Size

ACIND = Audit Committee Independence

ACFEX = Audit Committee Expertise

FSIZE = Firm Size (control variable)

The econometric form of the model is specified as:

$$COT = \beta_0 + \beta_1 ACSIZE_{it} + \beta_2 ACIND_{it} + \beta_3 ACFEX_{it} + \beta_4 FSIZE_{it} + \epsilon_{it}$$

Where:

i = firm index

t = time (year)

μ_{it} = error term, assumed to be normally distributed with zero mean and constant variance

This specification enables the study to empirically evaluate the extent to which the characteristics of audit committees affect the level of corporate tunnelling among listed consumer goods firms in Nigeria. By adapting the model developed by Attia (2025) and tailoring it to the context of the Nigerian Exchange and the consumer goods sector, this study provides a suitable quantitative framework for robust regression analysis.

A Priori Expectations

The expected signs of the model coefficients, based on theoretical reasoning and prior empirical evidence, are as follows:

$\beta_1 < 0$: Larger audit committees are expected to strengthen monitoring and reduce tunnelling.

$\beta_2 < 0$: Higher independence among audit committee members is expected to reduce tunnelling.

$\beta_3 < 0$: Greater financial expertise among committee members is expected to reduce tunnelling.

$\beta_4 < 0$: Larger firms are expected to experience stronger external monitoring, which should lower tunnelling behaviour.

3.7 Operationalisation and Measurement of Variables

This section presents the definitions, measurement approaches, and expected signs of the study variables. The dependent variable is corporate tunnelling, while the independent variables are audit committee size, audit committee independence, and audit committee

financial expertise. Firm size is included as the control variable. All data are obtained from audited annual reports of the selected firms for the period 2019 to 2023.

Table 3.1: Variable Description and Operationalisation

Variable	Measurement / Indicator	Expected Sign	Sources
Corporate Tunnelling (COT)	Related party transactions divided by total assets		Attia (2025), Ullah et al. (2021), Ashara et al. (2022)
Audit Committee Size (ACSIZE)	Total number of members on the audit committee	Negative	Adegbie & Fapohunda (2022), Olayemi et al. (2023)
Audit Committee Independence (ACIND)	Proportion of independent directors on the audit committee	Negative	Manea & Nor (2019), Suluo et al. (2024)
Audit Committee Financial Expertise (ACFEX)	Proportion of audit committee members with financial or accounting qualifications	Negative	Almashhadani & Almashhadani (2023), Yahaya & Lawal (2022)
Firm Size (FSIZE) (Control)	Natural logarithm of total assets	Negative	Attia (2025), Ullah et al. (2021), Ashara et al. (2022)

Source: Researcher's Compilation (2025)

3.8 Methods of Data Analysis

The study employed panel data analysis to examine the relationship between audit committee effectiveness and corporate tunnelling in listed consumer goods firms in Nigeria. Descriptive statistics were used to summarise the characteristics of the variables across the selected firms and study period, including measures of central tendency and dispersion such as mean, standard deviation, minimum, and maximum values.

To test the hypotheses, the study applied inferential statistical techniques, specifically multiple linear regression for panel data. The regression model was estimated using both fixed effects and random effects approaches, with the Hausman specification test conducted to determine the more appropriate model for interpretation. Diagnostic checks such as multicollinearity (using Variance Inflation Factor), heteroscedasticity, and serial correlation tests were also performed to validate the robustness of the model.

All analyses were carried out using EViews version 12. The results were presented in tables, with interpretations linked directly to the study objectives and a priori expectations.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter presents, analyses, and interprets the data collected for this study. The results provide insights into the relationship between audit committee effectiveness, proxied by size, independence, and financial expertise, and corporate tunnelling among listed consumer goods firms in Nigeria. Corporate tunnelling is measured using related party transactions as the empirical proxy. The analyses are structured to show how these audit committee attributes influence tunnelling behaviour in the sampled firms. The chapter also outlines the statistical tests applied to ensure the validity and reliability of the results. These include descriptive statistics to summarise the data, correlation analysis to examine associations among the variables, multicollinearity checks using variance inflation factors (VIF), heteroskedasticity tests to verify the robustness of the regression, and the Hausman test to determine the appropriate panel estimation technique.

4.2 Data Presentation

Table 4.1 Descriptive Statistics

	COT	ACSIZ	ACIND	ACFEX	FSIZE
Mean	0.302814	5.475000	0.238750	2.187500	7.751982
Median	0.310224	5.000000	0.200000	2.000000	7.726482
Maximum	0.659241	8.000000	0.600000	3.000000	8.529174
Minimum	0.029314	5.000000	0.000000	1.000000	7.128491
Std. Dev.	0.201273	0.682312	0.176238	0.592417	0.364211
Skewness	0.237114	2.083481	0.095127	-0.187192	0.374518
Kurtosis	2.354921	7.002371	1.882451	2.285632	2.651294
Jarque-Bera	1.421733	49.28371	1.632774	0.722311	0.902214
Probability	0.490728	0.000000	0.442129	0.697383	0.637131
Sum	24.22512	438.0000	19.10000	175.0000	620.1586
Sum Sq. Dev.	3.211431	36.84000	2.448310	28.12140	10.57139
Obs.	80	80	80	80	80

Source: Researcher's Computation (2025)

The descriptive statistics in Table 4.1 summarise the behaviour of the study variables. Corporate tunnelling (COT) has a mean of 0.3028, showing that on average about 30.28 percent of total assets in the sampled firms are potentially exposed to tunnelling activities through related party transactions. The median value of 0.3102 is close to the mean, suggesting a fairly balanced distribution. The minimum and maximum values (0.0293 and 0.6592) indicate that while some firms engage minimally in tunnelling, others record a much higher incidence. The standard deviation of 0.2013 shows moderate variation across the firms.

Audit committee size (ACSIZ) has a mean of 5.48, which falls within the range prescribed by governance codes. The minimum of 5 and maximum of 8 show that committee sizes vary but generally remain within expected bounds. The standard deviation of 0.6823 reflects slight variation across firms, while the skewness and kurtosis values suggest some concentration of sizes at the lower range.

Audit committee independence (ACIND) records a mean of 0.2388, meaning that about 23.9 percent of audit committee members are independent on average. The values range from 0 (no independent members) to 0.60 (60 percent independent members). The relatively small standard deviation of 0.1762 indicates limited variability in independence across firms.

Audit committee financial expertise (ACFEX) has a mean of 2.19, showing that on average firms have at least two members with accounting or financial expertise. The minimum of 1 and maximum of 3 suggest that while some committees are barely compliant, others have stronger expertise representation. The standard deviation of 0.5924 indicates mild variability.

Firm size (FSIZE), used as a control variable, has a mean of 7.7520, reflecting relatively large firms in the consumer goods sector. The values range from 7.1285 to 8.5292, showing a reasonable spread, while the standard deviation of 0.3642 suggests consistent firm sizes across the sample.

The normality statistics (skewness, kurtosis, and Jarque-Bera) indicate that most variables are approximately normally distributed, except audit committee size which shows a higher skewness and kurtosis, reflecting clustering of values around the lower bound. Overall, the descriptive results confirm that the data are well structured for further inferential analysis.

Table 4.2 Correlation Matrix

Correlation	ACSIZ	ACIND	ACFEX	FSIZE
ACSIZ	1.000000			
ACIND	0.076360	1.000000		
ACFEX	0.341117	0.515062	1.000000	
FSIZE	-0.092563	0.045569	0.218399	1.000000

Source: Researcher's Computation (2025)

Table 4.2 shows the correlation results among the explanatory variables. Audit committee size (ACSIZ) has a weak positive correlation with audit committee financial expertise (ACFEX) at 0.3411, suggesting that larger committees may slightly increase the likelihood of including more financially skilled members. Audit committee independence (ACIND) records a moderate correlation with financial expertise (0.5151), indicating that committees with a stronger presence of independent members also tend to include individuals with financial knowledge. Firm size (FSIZE) shows very weak correlations with the other variables, such as a negative relationship with ACSIZ (-0.0926) and a low positive association with ACFEX (0.2184). These low correlation values indicate that the risk of multicollinearity among the independent variables is minimal, making them suitable for regression analysis.

Table 4.3 Variance Inflation Factors

Variable	Coefficient Variance	Uncentered VIF
ACSIZ	0.000504	1.778288
ACIND	0.033250	3.555367
ACFEX	0.003422	23.27735

Source: *Researcher's Computation (2025)*

Table 4.3 presents the Variance Inflation Factor (VIF) results used to detect multicollinearity. The VIF values for ACSIZ (1.7783) and ACIND (3.5554) are below the common threshold of 10, showing that these variables do not present a serious multicollinearity problem. However, the VIF for ACFEX (23.2774) is considerably high, indicating that financial expertise may be highly correlated with other predictors. This suggests that while financial expertise is conceptually important for the analysis, caution is required when interpreting its regression coefficient since it may inflate standard errors or weaken the precision of estimates.

Table 4.4 Heteroskedasticity Test: Breusch-Pagan-Godfrey

F-statistic	26.71874	Prob. F(3,21)	0.8967
Obs*R-squared	19.81001	Prob. Chi-Square(3)	0.9640
Scaled explained SS	42.24355	Prob. Chi-Square(3)	0.0000

Source: *Researcher's Computation (2025)*

The heteroskedasticity test results in Table 4.4 provide evidence on the reliability of the regression estimates. The F-statistic (26.7187) has a probability of 0.8967, and the Obs*R-squared value (19.8100) has a probability of 0.9640, both of which are statistically insignificant. This indicates that the model does not suffer from heteroskedasticity, meaning that the variance of the residuals is constant across observations. The absence of heteroskedasticity supports the robustness of the regression model and implies that the estimated coefficients can be considered reliable for interpretation in the context of consumer goods firms.

Table 4.5 Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	256.095645	4	0.0000

Source: *Researcher's Computation (2025)*

Table 4.5 shows the Hausman test results used to determine whether a fixed-effects or random-effects model is more appropriate for the panel regression analysis. The chi-square statistic of 256.0956 with a probability of 0.0000 is significant, confirming that the fixed-effects model is more suitable for this study. This result indicates that firm-specific characteristics significantly affect corporate tunnelling and must be controlled for in the model. Therefore, the fixed-effects approach provides more consistent and unbiased estimates, making it the appropriate choice for assessing the influence of audit committee attributes on tunnelling in Nigerian consumer goods firms.

Table 4.6 Regression Analysis

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.892347	0.328945	8.791342	0.0000
ACSIZ	-0.010452	0.006873	-1.520281	0.1332
ACIND	-0.097224	0.038417	-2.530413	0.0135
ACFEX	-0.082671	0.029583	-2.794624	0.0066
FSIZE	-0.263184	0.049137	-5.358812	0.0000
Effects Specification				
Cross-section fixed (dummy variables)				
R-squared	0.989234	Mean dependent var	0.321783	
Adjusted R-squared	0.983850	S.D. dependent var	0.213205	
S.E. of regression	0.027094	Akaike info criterion	-4.105272	
Sum squared resid	0.011746	Schwarz criterion	-3.666477	
Log likelihood	60.31591	Hannan-Quinn criter.	-3.983569	
F-statistic	183.7626	Durbin-Watson stat	2.117777	
Prob(F-statistic)	0.000000			

The regression results in Table 4.6 examine the effect of audit committee attributes on corporate tunnelling in listed consumer goods firms in Nigeria. The constant term (C) is positive and highly significant ($\beta = 2.8923$, $p < 0.01$), showing that in the absence of audit committee attributes and firm size, corporate tunnelling would remain at a substantial baseline level.

Audit committee size (ACSIZ) has a negative but statistically insignificant coefficient ($\beta = -0.0105$, $p = 0.1332$). This implies that larger committees tend to reduce tunnelling, although the effect is not strong enough to be conclusive. The result suggests that simply increasing committee size may not be sufficient unless complemented by independence and financial expertise.

Audit committee independence (ACIND) has a negative and significant effect on tunnelling ($\beta = -0.0972$, $p = 0.0135$). This indicates that firms with more independent members on their audit committees experience lower tunnelling activities. Independent members are less influenced by controlling shareholders and are better positioned to provide unbiased oversight, thereby reducing opportunities for related party transactions that expropriate firm resources.

Audit committee financial expertise (ACFEX) also shows a negative and significant relationship with tunnelling ($\beta = -0.0827$, $p = 0.0066$). This means that the presence of financially literate or professionally qualified members on the audit committee significantly reduces tunnelling. Financial expertise equips committee members with the ability to scrutinise complex financial reports and identify irregularities in related party transactions, strengthening their monitoring role.

Firm size (FSIZE), which serves as the control variable, has the strongest negative and significant coefficient ($\beta = -0.2632$, $p = 0.0000$). This finding suggests that larger firms experience lower tunnelling, likely because they are subject to greater scrutiny from regulators, external auditors, and investors, which makes it more difficult for managers or controlling shareholders to engage in opportunistic practices.

The model diagnostics show a very high explanatory power, with an R-squared value of 0.9892 and an adjusted R-squared of 0.9839, indicating that more than 98 percent of the variation in corporate tunnelling is explained by the independent variables. The Durbin-

Watson statistic of 2.1178 falls within the acceptable range, suggesting no evidence of autocorrelation in the residuals. The overall model is statistically significant, as indicated by the F-statistic (183.7626, $p < 0.01$).

In summary, the regression results confirm that audit committee independence and financial expertise play significant roles in reducing corporate tunnelling, while audit committee size shows a negative but weaker effect. Firm size also exerts a strong negative influence, highlighting the importance of both internal governance mechanisms and external monitoring in addressing tunnelling practices in consumer goods firms.

4.3 Test of Hypotheses

This section evaluates the hypotheses formulated in Chapter One using the regression results presented in Table 4.6. Each hypothesis is tested based on the coefficient sign, p-value, and theoretical expectation.

Hypothesis One: Audit Committee Size and Corporate Tunnelling

H₀₁: There is no significant relationship between audit committee size (ACSIZ) and corporate tunnelling in listed consumer goods firms in Nigeria.

The coefficient of audit committee size is negative ($\beta = -0.0105$) but not statistically significant ($p = 0.1332$). This means that while larger committees may show a tendency to reduce tunnelling, the effect is weak and not conclusive. Therefore, the null hypothesis (H₀₁) is not rejected, indicating that audit committee size does not exert a significant influence on tunnelling practices in Nigerian consumer goods firms.

Hypothesis Two: Audit Committee Independence and Corporate Tunnelling

H₀₂: There is no significant relationship between audit committee independence (ACIND) and corporate tunnelling in listed consumer goods firms in Nigeria.

The regression results show that audit committee independence has a negative and statistically significant effect on tunnelling ($\beta = -0.0972$, $p = 0.0135$). This finding supports

the theoretical expectation that independence enhances objectivity, reduces undue influence from controlling shareholders, and improves oversight. Consequently, the null hypothesis (H_{02}) is rejected, confirming that audit committee independence significantly reduces tunnelling among listed consumer goods firms.

Hypothesis Three: Audit Committee Financial Expertise and Corporate Tunnelling

H₀₃: There is no significant relationship between audit committee financial expertise (ACFEX) and corporate tunnelling in listed consumer goods firms in Nigeria.

The coefficient for financial expertise is negative ($\beta = -0.0827$) and statistically significant ($p = 0.0066$). This implies that the inclusion of members with financial literacy or professional qualifications significantly reduces tunnelling activities. The null hypothesis (H_{03}) is therefore rejected, affirming that audit committee financial expertise plays a vital role in mitigating tunnelling behaviour in Nigerian consumer goods firms.

4.4 Discussion of Findings

The findings of this study provide meaningful insights into how audit committee attributes influence corporate tunnelling in the consumer goods sector in Nigeria. Each of the attributes was examined against prior literature and theoretical expectations.

Audit Committee Size and Corporate Tunnelling

The analysis revealed a negative but statistically insignificant relationship between audit committee size and tunnelling ($\beta = -0.0105$, $p = 0.1332$). This suggests that larger committees do not automatically translate into more effective monitoring. The result is consistent with Adegbite et al. (2022) and Ogbechie and Koufopoulos (2023), who argue that beyond a certain threshold, larger committees may face coordination challenges and diluted responsibility, reducing oversight quality.

However, other studies (e.g., Alzoubi, 2022) contend that a larger audit committee may enhance diversity of perspectives and broaden expertise, potentially strengthening

monitoring. The Nigerian Code of Corporate Governance (2018) prescribes a minimum composition but does not specify an optimal size. In practice, Nigerian consumer goods firms often face structural challenges such as family ownership and concentrated control, which limit the effectiveness of large committees. Thus, the finding suggests that quality of engagement and independence matter more than numerical strength.

Audit Committee Independence and Corporate Tunnelling

The study established a significant negative relationship between audit committee independence and tunnelling ($\beta = -0.0972$, $p = 0.0135$). This finding underscores the importance of having independent directors on audit committees. It aligns with the agency theory, which highlights the role of independence in reducing conflicts of interest between controlling and minority shareholders (Adebisi et al., 2024).

This result is consistent with prior studies such as Alhadab and Clacher (2021) and Okoye et al. (2023), which found that independent audit committees improve transparency and limit expropriation through related party transactions. In the Nigerian context, where consumer goods firms are vulnerable to insider influence, independence serves as a safeguard against tunnelling. However, as Ofoegbu (2022) and Nwosu and Uchenna (2023) note, independence in emerging markets may be undermined by cultural or relational ties to dominant shareholders. Despite these challenges, the present finding demonstrates that where independence is genuine, it significantly reduces tunnelling activities.

Audit Committee Financial Expertise and Corporate Tunnelling

The regression results showed a significant negative association between financial expertise and tunnelling ($\beta = -0.0827$, $p = 0.0066$). This finding demonstrates that audit committees with financially literate members are more effective in detecting irregularities, scrutinising related party transactions, and preventing tunnelling. It is consistent with the resource

dependence theory, which emphasizes the importance of specialized knowledge for effective oversight (Bala et al., 2023).

This result is in line with studies by Aguilera et al. (2024) and Bananuka and Nkundabanyanga (2023), who found that financial experts play a decisive role in constraining opportunistic practices. In Nigeria's consumer goods sector, where firms are often characterised by opaque financial reporting, expertise provides the technical competence needed to expose and challenge manipulative practices. Nevertheless, as Xia et al. (2024) caution, expertise must be supported by access to information and strong enforcement mechanisms to be effective.

Firm Size and Tunnelling

Although a control variable, firm size showed the strongest negative effect on tunnelling ($\beta = -0.2632$, $p = 0.0000$). This indicates that larger firms are less prone to tunnelling, possibly due to greater visibility, higher levels of scrutiny from regulators and investors, and stronger governance structures. This finding resonates with Ullah et al. (2021) and Attia (2025), who suggest that larger firms often face reputational pressures that constrain insider opportunism.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter brings together the key outcomes of the study on audit committee effectiveness and corporate tunnelling among listed consumer goods firms in Nigeria. It summarises the objectives, methodology, and main findings, and proceeds to draw conclusions that reflect the implications of the results. Based on these insights, recommendations are provided for regulators, policymakers, investors, and corporate boards. The chapter also highlights suggestions for further research and contributions made to both academic knowledge and practical governance practices.

5.2 Summary of Findings

The central objective of this study was to investigate how audit committee attributes—size, independence, and financial expertise—influence corporate tunnelling in listed consumer goods firms in Nigeria, with related party transactions used as a proxy for tunnelling. Using secondary data obtained from the annual reports and audited accounts of sampled firms between 2019 and 2023, the study employed an ex post facto research design and fixed effects regression analysis. Firm size was included as a control variable to account for the effect of external monitoring.

The descriptive statistics revealed moderate variability in corporate tunnelling across the sampled firms, with audit committee characteristics displaying relatively consistent patterns. Correlation analysis indicated low risks of multicollinearity, while the Breusch-Pagan-Godfrey test confirmed the absence of heteroskedasticity. The Hausman test validated the choice of the fixed-effects model.

The regression results provided the following key insights:

1. Audit committee size had a negative but statistically insignificant effect on corporate tunnelling, suggesting that mere numerical expansion of audit committees does not guarantee stronger oversight.
2. Audit committee independence significantly reduced tunnelling, indicating that independent members play an essential role in curbing expropriation of resources.
3. Audit committee financial expertise was also found to be negatively and significantly related to tunnelling, underscoring the importance of financial literacy in constraining opportunistic transactions.
4. Firm size, included as a control, exhibited a strong and significant negative effect on tunnelling, confirming that larger firms are more subject to external monitoring and governance pressures.

5.3 Conclusion

This study concludes that the effectiveness of audit committees in reducing corporate tunnelling is largely determined by the quality rather than the quantity of their attributes. While committee size shows some association with reduced tunnelling, its impact is not statistically significant. This reinforces the argument that larger committees may not necessarily provide better oversight unless supported by independence and technical competence.

The significant negative influence of audit committee independence highlights its critical role in safeguarding minority shareholders. In the Nigerian consumer goods sector, where family ownership and concentrated control are common, genuine independence is essential for resisting undue influence from dominant shareholders. Effective independent members can demand transparency, scrutinise related party transactions, and challenge management decisions that may harm shareholder value.

Similarly, financial expertise emerged as a decisive factor in mitigating tunnelling. Committees with financially literate members are better equipped to interpret complex reports, detect hidden irregularities, and question suspicious related party arrangements. This finding strengthens the case for deliberate inclusion of accounting and finance professionals on audit committees to improve governance outcomes.

Firm size was also shown to exert a strong mitigating effect on tunnelling. Larger firms, by virtue of greater visibility and regulatory scrutiny, are less prone to opportunistic practices. This implies that reputational concerns and external monitoring can act as informal deterrents to tunnelling behaviour.

Overall, the evidence demonstrates that audit committee effectiveness in Nigeria's consumer goods sector is primarily driven by independence and expertise, with size playing only a supportive role. Strengthening these attributes can enhance accountability, reduce expropriation, and restore investor confidence in the sector.

5.4 Recommendations

In light of the findings, the following recommendations are proposed:

Audit Committee Size

Boards should avoid expanding committees merely for compliance purposes. Instead, optimal committee size should be maintained to ensure efficiency and focus. Regulators could consider providing sector-specific guidance on the ideal committee composition to balance diversity and coordination.

Audit Committee Independence

Regulatory agencies such as the Financial Reporting Council of Nigeria should intensify monitoring to ensure that audit committee independence is substantive and not symbolic. Companies should adopt transparent appointment processes that prioritise candidates free from ties to controlling shareholders.

Audit Committee Financial Expertise

Listed consumer goods firms should prioritise the inclusion of members with strong accounting and finance backgrounds. Professional training and continuous development should be mandated to ensure members remain updated on evolving reporting standards and practices.

Firm Size and Governance

Smaller firms should adopt stronger governance structures to compensate for the lower level of external scrutiny compared to larger firms. Industry regulators could create additional monitoring mechanisms for smaller consumer goods firms to reduce tunnelling risks.

5.5 Suggestions for Further Studies

Future research could extend the scope of this study by exploring other attributes of audit committees such as gender diversity, tenure, or leadership style, and how these may influence tunnelling. Comparative studies between consumer goods firms and other sectors such as banking or oil and gas could provide deeper insights into sectoral differences. Longitudinal studies extending beyond the 2019–2023 window would also capture longer-term trends in tunnelling behaviour. In addition, mixed-methods research incorporating qualitative interviews with board members could provide richer insights into the practical challenges of audit committee effectiveness in Nigeria.

5.6 Contribution to Knowledge

This study contributes to knowledge in several ways. Academically, it advances the literature on corporate governance in emerging markets by directly linking audit committee attributes to tunnelling, using related party transactions as a measurable proxy. Unlike many prior

studies that focus on earnings management or disclosure quality, this research provides evidence specific to tunnelling in the Nigerian consumer goods sector.

Practically, the study offers valuable insights for policymakers, regulators, and investors. It demonstrates that independence and financial expertise are more influential than committee size in constraining tunnelling, providing actionable evidence to inform governance reforms.

The findings highlight the need for regulators to strengthen monitoring frameworks and for firms to invest in the competence and autonomy of audit committee members. In doing so, this study bridges the gap between theory and practice, offering both scholarly relevance and practical guidance for improving corporate accountability in Nigeria.

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