CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Business corporations have traditionally been conceptualized as economic entities with the main responsibility for producing goods and providing services as efficiently as possible. With the advent of the sustainable development these corporations began to move away from their narrow economic conception of responsibility and to make profound strategic adjustments in response to environmental pressures and changing societal expectations (Ramaprakasha, & Rajaram, 2017). The history of corporate social responsibility (CSR) is perhaps as old as the history of business itself, though the concept was not formally formulated until recently. (Saeid, Zabihollah, & Zahr, 2015)

However, it only became a serious academic discipline being taught in most business schools within the last decade. Almost, every company worth its name by developing some sort of CSR program to the society, since there seem to be no way to avoid CSR, in some of the developed nations; one cannot do business without being socially responsible. Social responsibility can be traced back to the Quakers in 17th and 18th centuries whose business philosophy was not targeted at profit maximization only but also, to add value to the larger society. In their view, there is interdependence between business and the society meaning that they rely on each other for survival (Uwuigbe, Uwuigbe, & Ajayi, 2011).

Insurance companies' practices are those of sharing losses, of spreading risk lightly over a great number of people so that few unfortunate people who sustain losses do not suffer heavy financial loss as a result of the misfortune. This agreement between insurer and insured in addition to money spent on social responsibility activities is recorded and financially reported. The awareness of corporate

social responsibility accounting and addition to the facts that only companies whose activities adversely affect the environment should be socially responsible. Thus, insurance companies are faced with reporting the social cost incurred on people and planet and lack of awareness of the benefits.

In the view of (Azubike, 2008) the classical scenario of the business accounting for it activities to the stakeholders have more recently witnessed the appearance of interest groups. The interest groups include workers investors, the tax authorities, the host communities and non-governmental organizations. Thus, instead of only having a financial responsibility before its shareholders, it has moved towards a situation where a company has a social responsibility before its stakeholders. (Purnomo & Widianingsih, 2012), argued that organization social responsibility is represented by a series of obligation to not only safeguard its own interest (economic an effect upon owners, employers, but to be accountable to society's well being (local communities, environment, and national interests). (Osisioma, Nzewi, & Nwoye, 2015) added that the survival of every business depends on the accomplishment of these objectives. The two broad categories of business objectives expected to be accomplished include economic objectives and social objectives. While economic objectives are the targets to be accomplished in the marketing efforts of an organization, social objectives are associated with the aims of an organization towards satisfying the interest of its shareholders, employees, and the general public. (Omoye, 2006) avow that corporate social responsibility accounting (CSRA) is a contemporary issue of concern, which bothers on reporting on the social cost that is associated with corporate activities in a given financial year, (Nzewi, Nzewi, & Okerekeoti, 2013) added that social accounting is the process of communicating the social effects of organizations' economic actions to particular interest groups within a society and to the society at large. Social responsibility accounting emphasizes the notion of corporate accountability and in this sense can

be seen as an approach to reporting a firm's activities with emphasis on the identification of socially relevant behaviour. Nevertheless, CSRA is not new to the financial reporting arena, presently in Nigeria, companies in their directors' reports are required to provide in some circumstances information regarding environment of employee involvement in companies' affairs and donation of charitable nature (CAMA, 2004 S.342 part 1 ch 5).

(David, 2012) stressed that CSRA goes beyond mere reporting on employees and charitable donations, to include for example costs incurred in complying with anti-pollution safety and health as well as the net impact of other socially beneficial requirement and endeavour to protect society.

For example in countries like Germany and United Kingdom, there are regulatory bodies involved in pushing for regulations of certain CSR practices. This is mainly to create a more harmonious relationship between the corporations and the society at large (Asongu, 2007). Corporate social responsibility in the view of (Mamman, 2011) is the obligation which a firm has to satisfy the financial interest of its stockholders as well as to meet the needs of the society.

(Abdulrahman, 2014) reaffirmed that companies in the cause of discharging their day to day activities for the purpose of profit realization should also take into consideration the effect of their activities on the members of the society in which the companies are residing and the environmental sustainability of their operations. (Makori & Jagongo, 2013) avow that the nature of financial accounting has led to, in recent years a serious debate that business activity should conform to socially, desirable ends. (Omoye, 2006) emphases that social responsibility accounting involves publication of information by organization that will allow interested parties to evaluate its performance in terms of both negative and positive social impact.

Basically, the term social accounting is of recent origin and many other terms like social audit, social economic accounting, social cost benefit analysis, report on corporate social policies, social information system, social accounting, corporate social responsibility accounting are often interchangeably used, to inform the public about social welfare measures taken by the enterprise, and the effects on the society.

In developing countries, apart from the problem of managing unrelated units, companies also face the problem of managing conflicts with the immediate environment in which the business units are established. In others to address these issues most of the companies embark on Corporate Social Responsibility (CSR). Continuous performance is the objective of any organization because only through performance, are organizations able to grow and progress (Gavrea, Ilies & Stegerean, 2011).

These growth are measured through financial performance indicators (that is liquidity, profitability, leverage or efficiency), but all these can only be achieved through compensating the communities by means of adopting CSR as part of the co-business practice.

Performance measurement is the process of collecting, analyzing and/or reporting information regarding the performance of an individual, group, organization, system or component. Reliable information can only be extracted when there is consistency and accuracy, because they are important for producing reliable measures of financial performance

In Nigeria, corporate social responsibility accounting gained importance in the 1990s as a result of the interest shown by the international communities in the conflict between oil and gas companies and their host communities (Oguntade & Mafimisebi, 2011). Today, most organization believes that business operations should go beyond the simple prospect of money making. Thus, managers try as much as possible to incorporate the interest of the employee,

business partners, customers, shareholders and the society at large into their decision making which offers the best guarantee for consistent profitability.

Despite these importance CSRA is still at a slow paced, and the level of social disclosure among Nigeria companies is basically still low and at the embryonic stage which is mainly caused by various bottlenecks of environmental issues as opined by (Mamman, 2011; Nzewi, et. al., 2013). The notion of CSRA is at the forefront of contemporary management thinking, in fact, CSRA has become a significant issue in both the business and public domain that is why company corporate social performance (CSP) has become an important factor in overall evaluation of business corporate financial performance (CFP).

It has also been proven by many researchers from developed nations and very few from underdeveloped and developing nations that companies with good CSR policies are being rewarded by consumers and this is manifested in companies' financial position in the long term. On the other hand, consumers will punish companies with poor CSR reputation. The more company makes CSRA as part of its core business, the more profitable and competitive the company becomes (Onyekwelu, & Uche, 2014). Now a day it is being realized that commercial evaluation of business units is not sufficient to justify commitment of fund to a business units. Rather evaluation will be complete only if it takes into consideration social cost and benefits associated with them. Also, In Nigeria, many organizations in one way or the other have show some levels of interest in their social responsibility but have not given the needed financial reporting touch to these expenses. Most of the disclosures are done via the director's report or notes to the accounts but they are not explicitly disclosed or made to be part of the financial statement. Also, Nigeria insurance companies are still uncertain about the benefits of social reporting and the use of social reporting information benchmark has not been widely practiced.

Against the above backdrop, this study is undertaken with a view to ascertain corporate social responsibility accounting and financial performance of insurance companies in Nigeria.

1.2 Statement of the Research Problem

Before now it is believe that it is only company that their activities adversely affect the environment that should be socially responsible. This has change over the years as some country has made it mandatory for business to be socially responsible without which they cannot do business. For insurance company, their activities have to do with rendering of services and as such do not destroy the environment. It is normal for a business organization to record expenses it incurs in the running of the enterprise. However, sufficient expenses may not be incurred by an organization to settle its daily economic, social and environmental problems. It is unethical for organizations not to incur or to incur insufficient expenses on such items as personnel safety and the destruction of the environment. It is also contrary to International Financial Reporting Standard (IFRS) on the disclosure convention for an organization to exclude social responsibility matters in annual reports. Presently, there is no existing accounting standard in Nigeria for reporting on corporate social responsibility accounting and this has made organizations to adopt different approaches, policies, and philosophies on social responsibility reporting. Although, with the adoption of IFRS more of social cost are being reported in the director's report and it is very scanty, less of quantitative information. (Leyira, Uwaoma, & Olagunju, 2011; Onyekwelu, & Uche, 2014). The absence of a generally accepted theory of business roles in society has accounted for the impracticality, limited spread, public relation bias, and lack of consensus with respect to the objectives, methodologies and measurement of social cost accounting. (Glautier , Underdown, & Morris, 2011).

The problem concerning the relationship between corporate social responsibility accounting and corporate financial performance (CFP), from the aspects of customers, suppliers, employees, shareholders, creditors, and community-ties and whether these aspects of CSR performance have positive, negative or no correlation with the financial performance of the companies in Nigeria is still yet to be completely resolved.

So many researches have been conducted in Nigeria and even outside Nigeria on CSR and its effect on financial performance. Similar studies that sought to find out if CSR significantly affect financial performance in the banking sector in Nigeria has been carried out and their findings show that corporate social responsibility is significantly related to Profit after tax, Dividend, and Total Asset. (Gunu, 2008; Adeboye & Olawale 2012; Akano, Jamiu, Yaya & Oluwalogbon, 2013). Similar studies that sought to find out if CSR significantly affect financial performance in conglomerates in Nigeria has been carried out and their finding show that the explanatory variables have significant aggregate impact on quoted conglomerates in Nigeria (Oba, 2009; Abdulrahman, 2014)

In another similar studies that sought to find out if CSR significantly affect financial performance in manufacturing sector in Nigeria has been carried out and their findings show that a positive relationship exists between the social responsibility practice of firms and their performance. (Ngwakwe, 2009); and (Casanova, 2010) . While studies that sought to find out if CSR significantly affect financial performance in selected companies in Nigeria has been carried out and their findings show that CSR has a positive and significant relationship with the financial performance measures (Amao, 2012; Uwalomwa, 2011; Uadiale & Fagbemi, 2011).

Although, some studies has been carried out in Nigeria in non-bank sector (Nzewi, 2011) the study assessed the corporate social responsibility accounting practice of Nigerian banks. To the

best of the researcher knowledge no work has been done in Nigeria using the variables corporate social responsibility accounting and financial performance of insurance companies, hence the need to fill the gap to address these variables on how they relates to the financial performance of insurance companies in Nigeria whether the findings from this study will be different or same else were.

1.3 Objectives of Study

The main objective of the study is to determine corporate social responsibility accounting on the financial performance of insurance companies in Nigeria. The specific objectives of this study are:

i. To ascertain the relationship between corporate social responsibility accounting and return on capital employed of insurance companies.
ii. To establish the significant relationship between corporate social responsibility accounting and earnings per share of insurance companies
iii. To establish the significant relationship between corporate social responsibility accounting and net profit margin of insurance companies
iv. To determine the significant difference in the accounting and reporting of social activities among the insurance companies in Nigeria.
v. To determine the significant difference in the social responsibility expenditure of the bank and insurance companies in Nigeria.

1.4 Research Questions

To achieve the specific objectives of this study the following research questions were raised:

1. To what extent does corporate social responsibility accounting affects return on capital employed of insurance companies?
2. What is the extent of relationship between corporate social responsibility accounting and earnings per share of insurance companies?
3. To what extent does corporate social responsibility accounting affects net profit margin.
4. To what extent is accounting and reporting on social activities differs among insurance companies in Nigeria of insurance companies?
5. To what extent is social responsibility expenditure of the bank and insurance companies differs in Nigeria?

1.5 Research Hypotheses

The following hypotheses were tested in the course of this research study:

Ho_1: There is no significant relationship between corporate social responsibility accounting and return on capital employed of insurance companies.

Ho_2: There is no significant relationship between corporate social responsibility accounting and earnings per share of insurance companies.

Ho_3: There is no significant relationship between corporate social responsibility accounting and net profit margin of insurance companies.

Ho_4: There is no significant difference in the accounting and reporting of social activities among the insurance companies in Nigeria.

$Ho_{5:}$ There is no significant difference in the social responsibility expenditure of bank and insurance companies in Nigeria.

1.6 Significance of the Study

The research was of significance to the following members of the society: governments, decision markers, researchers, professional accountants and auditors if they laid hand on it. The government will benefit from the study in the sense that social responsibility had in the past seeing as the prerogative of governments whose traditional role is structured for provision of social amenities and security to the society. Government was able to know from the research how their efforts can be complemented by corporate organizations through the involvements in social responsibility by the latter.

Company management and decision makers in both listed and non listed companies will benefit because the research will afford them the opportunity to know their roles in social responsibility and the level the company's resources should be channeled on.

The research will also provide them the knowledge on how to report on, social responsibility issues. This will help to improve credibility, accountability, and corporate governance in Nigeria. This would assist the bank and Non- bank companies in shaping their policy on CSR as it would reveal to them the extent to which it affects their performance.

Researchers generally, will benefit immensely from the rich discourse provided by the research on social responsibility accounting, corporate financial performance theories, as it will serve as a reference point to those that want to research further into the area.

Accounting professionals and auditors will see the work as a guide to carry on their professional assignment, as this will enhance their knowledge and understanding on corporate social

responsibility spending and will furnish them with the best tools needed for handling it in practices.

A design of theoretical, conceptual and empirical bases for social responsibility accounting and disclosure will facilitate efficient valuation of degradation in organizations' so as to improve the welfare of employee and affected communities.

1.7 Scope of the Study

The research was on social responsibility accounting, and financial performance of insurance companies, in Nigeria .The study covers all the insurance companies listed on the Nigeria Stock Exchange as at December 2016. The period covers ten years (10yrs) ranges from 2007 -2016. 2007 was chosen as the starting period because the first major recapitalization process in the insurance sector was introduced by the insurance Act 2003. This recapitalization exercise which ended in February 2004, however, still left over 107 insurance as well as reinsurance operators in the market and was perceived as not effectively achieving the aim of drastically reducing the number of players in the industry. The then Minister of Finance announced a new minimum capital regime in September 2005 which was to be complied with by the end of February 2007. Also, is the availability of data from 2007 in the insurance industry

The variables for measurement were existence of social responsibility accounting and reporting, nature of reports, coverage of social responsibility accounting and reporting, approach to measurement of social responsibility accounting and reporting, areas of social responsibility initiative and the level of expenditure on social reasonability.

1.8 Limitation of the study

A major limitation of this study is that the research did not consider all the forty (40) quoted insurance listed companies in the Nigeria Stock Exchange because of the non availability of complete data for the period under consideration. Hence the researcher applies Taro Yamane to determine the sample for the study.

Also, is the none studying of the whole population and other financial performance indices such as Gross profit margin, Assets turnover, and Dividend per share, probably if they were study the outcome in this study would have being different..

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.0 Introduction

This chapter reviews some previous studies and theories aimed at providing an analytical framework for the study on corporate social responsibility accounting, corporate financial performance of financial and non financial companies in Nigeria. It looks at conceptual meanings of CSRA and the historical origin of the concept. Theoretical framework and Empirical works done on CSR and how to measure its impact on company's financial performance.

2.1 Conceptual Review

2.1.1 Historical Origin of Corporate Social Responsibility (CSR)

The history of CSR can be traced back to 1700 years before Christ in which it was reported that Mesopotamian kings as of then introduced a code for innkeepers guidance on how to go about their jobs. Deviation from complying with the code led to severe penalty especially when the deviations harmed other citizens (Ogunkade, et al., 2011).

Researches on corporate social responsibility were dates back to at least 1930s (Berle, 1931; Dodd, 1932). Through the initial stages of CSR research often referred to as social responsibility, the literature was primarily at the institutional level (Uwuigbe,et al., 2011) with the discourse being around the role of the firm in society (Bowen, 1953). However, clarity around the role of the firm and especially the conceptualization of CSR did not emerge and it became even less clear over the subsequent decades.

As one of the reasons for the institutions of CSR is to enable mutual beneficial relationship to exist between the business and the hosting environment, one can justify the long existence of the

concept by taking into consideration what prominent practicing religions impliedly narrated on business dealings between business owners and members of the society. With industrialization advancement companies now voluntary engaged in discharging CSR. For example according to (Islam, & Deegan, 2007) Kellog Company has claimed to be discharging CSR since the inception of the company in 1906. Another confirmation of similar incidence is found in (Makori,et al., 2013) in which he claimed that corporate paternalists of the late 19th and early 20th centuries used some of their wealth to support philanthropic activities.

Due to the prominent nature of CSR, it is now considered as one of the crucial subject matter of interest in accounting theory and practice since 70‟s. The accounting profession has been involved in the struggle to ensure that social responsibility expenditures are accounted for and adequately disclosed in the annual reports of financial statements (Ojo, 2012).

2.1.2 Corporate Social Responsibility (CSR)

(Bowen, 1953), called the "Father of Corporate Social Responsibility" by (Carroll, 1979), offered an initial definition of social responsibilities. He said that social responsibilities of a business refer to the obligations of a firm to pursue policies, to make decisions, or to behave according to some lines which bring positive values to society (Carroll, 1979). From then on, corporate social responsibility became a new field to study for both the sake of enterprises and the benefit of the society.

(Davis, 1960) kept studying CSR and he presented "businessmen's decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest". Although Davis did not clearly identify what should be included in the scope of CSR, he pointed out that other than pursuing profit, firms should also do well to the society. (Saeid, Zabihollah, & Zahra,

2015) defined CSR referring to more detailed aspects: “The idea of social responsibilities supposes that the corporation has not only economic and legal obligations but also certain responsibilities to society which extend beyond these obligations.

CSR is viewed from different perspectives and angles. The perspectives vary from individual authors to organizations and as a result there is no generally accepted unified definition of the concept. But, on critically viewing the various definitions given one could observed that they are centered on three major premise as stated by (Wissink, 2012). These premises are corporate relations to economic, societal and environmental sustainability. It is on this basis that several terms like corporate conscience, good corporate citizenship, business responsibility, business citizenship, social performance, sustainable responsible business, community relations, and responsible business are used to connote CSR. Corporate social responsibility arises out of the interdependence of an organization with the society and the environment where it is operating (Servaes, & Tamayo, 2012).

The concept is therefore closely linked to the principle of sustainability, which argues that enterprises should make decisions based not only on financial factors such as profits and dividends, but also based on the immediate and long term social and environmental consequences of their activities (Ojo, 2012).

(Nzewi, 2011) defined social responsibility as a person’s or an organization’s moral obligation towards others who are affected by his or her actions. It serves as a source of motivation in solving societal problems. Corporate social responsibility is combined with corporate social responsiveness to produce what is known as corporate social performance. A good social performance is socially responsible and also improves organizational profitability (Uwalomwa, 2011). Social responsibility in the opinion of (Mamman, 2011) has become a very vital

organizational function that has been given serious consideration by corporate organizations due to its importance in linking business to the society and creating cordial relationship with government which according to the author has to be carried out in an effective and efficient manner.

In the view of (Osisioma, Nzewi, & Nwoye 2015), it is described as the ability of company to link itself with ethical values, transparency, employee relations, compliance with legal requirements and overall respect for the communities in which they operate. In another similar definition by (Olowokudejo & Aduloju 2011), CSR is the economic, legal, moral, and philanthropic actions of firms that influence the quality of life of relevant stakeholders.

In the words of (Servaes, & Tamayo, 2012), an organization is socially responsible when it does not restrict itself within the minimum requirement of the law but rather, goes beyond it. He therefore views corporate social responsibility as the acceptance of social obligation by an organization beyond what the law requires.

(Onyekwelu, et. al., 2014) viewed social responsibility as the obligation of a manager to enhance the welfare of the stakeholders and the society in general. In the perception of (Uwalomwa, 2011), what a corporate organization intends to do is indicated by its social responsibility. The primary stakeholders to corporate organizations are the owners who risk their money to establish and run the business. Therefore, the business has the responsibility of maximizing the wealth of the owners and other stakeholders such as the employees, the customers, the community and the government in responding to their demands (Ojo, 2012).

In a concise definition given by (Achua, & Terungwa, 2011), it is described as the ability of the companies to manage the business processes to produce an overall positive impact on society.

Some of the organizational definitions of CSR are: The European Commission, 2001 defined CSR as a concept which makes companies decide voluntarily to contribute to a better society and a cleaner environment by integrating social and environmental concerns in their business operations and in their interaction with their stakeholders. In another definition given by (Minga, 2010), it is considered as a means of analyzing the inter-dependent relationships that exist between businesses and economic systems, and the communities within which they are based.

The most commonly used definitions of CSR according to a recent online study origin from the Commission of the European Communities in 2001 ('A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis' as found in (Dahlsrud, 2006) and from the World Business Council for Sustainable Development in 1999 ('The commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life' as found in (Dahlsrud, 2006).

Basically, corporate social responsibility is founded on the notion that corporations are in relationship with other interests in for instance economic, cultural, environmental and social systems because business activities affect such interests in society. These relationships may have a strong economic dimension, but they may also have a primary focus on social and environmental concerns. For business, on the one hand, CSR involves understanding and managing these relationships; in a recent survey of businesses and their stakeholders in Hong Kong, factors like environment, health, safety, governance, corruption and human resource management ranked highest when given priority in CSR activities with only minor differences in ranking between those factors of businesses and non-business stakeholders (Leyira, *et al*, 2011). Academic inquiry into CSR, on the other hand, seeks to understand why the phenomenon is

important, how and why it is being managed, how CSR may change in different context and have different consequences, what disciplines such as for instance business ethics, economics, sociology or political science contribute to our understanding of the character of these relationships, and the consequences that derive from the strategies and activities of the firms (Makori, et al, 2013).

Therefore, (Ojo, 2012) conclude that corporate organizations should exercise social conscience in making decisions that affect stakeholders, especially the employees, communities where they operate and the society at large in order to be regarded as exemplary corporate citizens. From the above set of definitions, it could be observed that the definitions on CSR given are based on taking into consideration peculiarities of settings in which the definitions connote that certain issues were targeted to be represented. That informed the reason why variations exist amongst the definitions and none appears to be fully comprehensive. Despite that this study is adopting the definition given by (Musa, et al., 2013) which described CSR as the ability of company to link itself with ethical values, transparency, employee relations, compliance with legal requirements and overall respect for the communities in which they operate.

2.1.3 Components of CSR

A survey conducted by one of the Big Four accounting firms identifies four key CSR topics: core labor standards, working conditions, community involvement, and philanthropy (KPMG, 2005).

i. Core labor standards: Core labor standards comprise a general commitment to human rights, the right to equality of opportunity and treatment, the right to freedom of association and collective bargaining, the prohibition of forced labor, the abolition of child labor, and commitment to diversity.

ii. Working conditions: Working conditions address the general working conditions of corporate facilities including working time and work organization, work and family, wages and income, occupational safety and health, stress and violence, harassment, and maternity protection.

iii. Community involvement: Community involvement addresses the extent to which a company fulfills its social concerns related to its operations and is involved with and values community interventions such as programs aimed at improved health and education services.

iv. Philanthropic programs: These programs tend to be less strategic than other forms of social involvement in terms of adding social and business values. The International Organization for Standardization (ISO) issued ISO 26000 in 2011 covering a broad range of an organization's activities, from economic to social, governance, ethics, and environmental issues. ISO 26000 is a globally accepted guidance document for social responsibility in assisting organizations worldwide to fulfill their CSR (ISO, 2010).

Social responsibility performance promoted in ISO 26000 is conceptually and practically associated with the achieving sustainable performance, because the fulfillment of social responsibility necessitates and ensures sustainable development. ISO 26000 goes beyond profit-maximization by presenting a framework for organizations to contribute to sustainable development and the welfare of society. The core subject areas of ISO 26000 take into account all the aspects of the triple bottom line: key financial and nonfinancial performance relevant to profit, people, and the planet.

i. **Profit:** The primary goal of business organizations has been and will continue to be to earn profit in a socially responsible way to ensure shareholder value creation and the achievement of the desired rate of return on investment.

ii. **People:** ISO 26000 encourages companies to recognize human rights as a critical aspect of social responsibility by ensuring the countries in which they operate respect the political, civil, social, and cultural rights of the citizens.

iii. **Planet:** ISO 26000 promotes sustainable resource management to ensure that business organizations are not exploiting the environment in which they are operating.

(Iqbal, Ahmad, Basheer, & Nadeem, 2012) discuss the following provisions of ISO 26000 designed to help business organizations operate in a socially responsible manner by providing guidance on:

a) Concepts, frameworks, terms and definitions pertaining to CSR.
b) Background, trends and characteristics and best practices of socially responsible organizations.
c) Principles, standards and best practices relevant to CSR.
d) Policies, procedures and best practices for integrating, implementing and promoting CSR.
e) Engagement of all stakeholders, including shareholders, in socially responsible activities.
f) Disclosure of information and non financial KPIs related to social responsibility.

2.1.4 Corporate social responsibility accounting

Corporate social responsibility accounting is an offshoot of corporate social responsibility. Corporate social responsibility refers to corporate actions that protect and improve the welfare of the society alongside as the corporation's own interest. It can be viewed as the corporation's sense of responsibility towards the community and the environment in which it operates. (Nzewi, et. al., 2013). It embraces responsibility for the corporation's actions and encourages a

positive impact through its activities on the environment, consumers, employees, communities, stakeholders and the general public (Akindele, 2011).

2.1.5 Corporate Social Accounting

Corporate Social Accounting as a concept can be said to evolve in the United Kingdom in the early 1970s. It means the reporting of the social cost effect of companies on the performance of the business. (Leyira, Uwaoma, & Olagunju , 2011). The concept emphasizes that a business's success should not only be measured based on its financial performance but should include its social impact of its operations. (Onyekwelu, & Uche, 2014) defined social accounting as the process of communicating the social and environmental effect of organization's economic activities to particular interested groups within society at large. As such it involves extending the accountability of organization beyond the tradition role of providing financial accountability to the owners of capital, in particular shareholders. Such an extension is predicated upon the assumption that companies do have wider responsibility than simply to make money for their shareholders. (Selvi, 2007) defined social accounting as a way of demonstrating the extent to which an organization is meeting its stated social and ethical goals.

2.1.6 Social Responsibility Accounting

The communicating of the extent to which an organization is meeting its stated social ethical goals, This implies that the reports submitted by financial accounting systems reflect a company's performance according to certain perspectives, consider profitability and financial power of the business as a success or failure index, and pay more attention to making profit for such groups as:

i. Active or passive investors
ii. Business managers
iii. Active or passive creditors
iv. Governmental organizations
v. Customers
vi. Sales persons

To counter the lack of attention to social benefits and the effect of business practices on the environment, by the 1960s a new concept called social responsibility accounting was proposed in the theoretical field of accounting.

(Ogunkade & Mafimisebi, 2011) mentioned this concept in their writing. Jerry Anderson could be called the father of this field of accounting. In the United States, social responsibility accounting emerged in the 1970s when the American Accounting Association established a committee to evaluate the obstacles to and difficulties of measuring and reporting social responsibility (Moon, 2002) mentioned that using CSR in a firm can lead to attracting customers and can provide a good business strategy. Now, after four decades, the debate over social responsibility is still in its infancy. Most papers have been descriptive, have not focused on administrative problems, and have not provided suitable approaches for managers.

The current business environment contains risks for accounting and accountants. With the increase in the importance of environmental issues, social responsibilities, reporting, and risk management, accounting needs have changed (Ijeoma & Oghoghomeh, 2014). Accountants play a vital role in organizations in fields related to social responsibilities, including reporting, transparency, moral discipline, adherence to laws, relationships with beneficiaries, and resource consumption. Social responsibility accounting includes compiling, measuring, and reporting

social commitments and other transactions and the mutual effects of these transactions between corporations and their surroundings.

2.1.7 Return on capital employed

Capital employed is defined as all the long term funds invested in the business by the shareholder; this is made up of equity (share capital, reserves and profit), preference capital and debentures or loan stock. It is also regarded as the total investment in a business at a reasonable period. It is further explained by (Khrawish, 2011) that ROCE is a financial ratio that refers to how much profit a company earned compared to the total amount of shareholder equity invested. It is what the shareholders look in return for their investment. A business that has a high return on equity is more likely to be one that is capable of generating cash internally.

Also, Return on capital employed or ROCE is a profitability ratio that measures how efficiently a company can generate profits from its capital employed by comparing net operating profit to capital employed. In other words, return on capital employed shows investors how many dollars in profits each dollar of capital employed generates.

ROCE is a long-term profitability ratio because it shows how effectively assets are performing while taking into consideration long-term financing. This is why ROCE is a more useful ratio than return on equity to evaluate the longevity of a company.

This ratio is based on two important calculations: operating profit and capital employed. Net operating profit is often called EBIT or earnings before interest and taxes. EBIT is often reported on the income statement because it shows the company profits generated from operations. EBIT can be calculated by adding interest and taxes back into net income if need be.

Capital employed is a fairly convoluted term because it can be used to refer to many different financial ratios. Most often capital employed refers to the total assets of a company less all current liabilities. This could also be looked at as stockholders' equity less long-term liabilities. Both equal the same figure.

2.1.8 Net Profit Margin

Net profit margin is the percentage of revenue left after all expenses have been deducted from sales/ turnover. The measurement reveals the amount of profit that a business can extract from its total sales. The net sales part of the equation is gross sales minus all sales deductions, such as sales allowances Net profit margin, or net margin, is equal to net income or profits divided by total revenue and represents how much profit each naira of sales generates. Net profit margin is the ratio of net profits or net income to revenues for a company, business segment or product. Net profit margin is typically expressed as a percentage but can also be represented in decimal form. The net profit margin illustrates how much of each dollar collected by a company as revenue translates into profit. The term "net profits" is equivalent to "net income" on the income statement and one can use the terms interchangeably. Most commonly, investors will refer to net profit margin as the "net margin" and describe it as "net income" divided by total sales instead of using the term "net profits."

2.1.9 Earnings per share

Earnings per share (EPS) are the portion of a company's profit allocated to each outstanding share of common stock. Earnings per share serve as an indicator of a company's profitability. This is earning yield in the ratio of earnings per share to the current market value of the share. EPS is net profit after taxes divided by the number of shares issued. It is an individual share's

pro rate share of the net profit earned during the year. It is generally expressed as a number of kobo per share

To calculate the EPS of a company, the balance sheet and income statement should be used to find the total number of shares outstanding, dividends on preferred stock (if any), and the net income or profit value. When calculating, it is more accurate to use a weighted average number of shares outstanding over the reporting term, because the number of shares outstanding can change over time. Any stock dividends or splits that occur must be reflected in the calculation of the weighted average number of shares outstanding. However, data sources sometimes simplify the calculation by using the number of shares outstanding at the end of a period. Earnings per share (EPS) is generally considered to be the single most important variable in determining a share's price. It is also a major component used to calculate the price-to-earnings (P/E) valuation ratio, where the 'E' in P/E refers to EPS. By dividing a company's share price by its earnings per share, an investor can understand the fair market value of a stock in terms of what the market is willing to pay based on a company's current earnings.

The EPS is an important fundamental used in valuing a company because it breaks down a firm's profits on a per share basis. This is especially important as the number of shares outstanding could change, and the total earnings of a company might not be a real measure of profitability for investors.

2.1.10 Insurance Companies

Insurance refers to modern methods of sharing losses, of spreading risk lightly over a great number of people so that few unfortunate people who sustain losses do not suffer heavy financial loss as a result of the misfortune. It is an agreement between insurer and insured whereby the insurer

undertakes in return for a payment of a premium to pay the insured compensation or sum of money upon the happening of a specified event. Insurance companies are companies that are defined and categories by Nigeria Stock Exchange 2016, the insurance companies are companies apart from the bank companies which main business activities is to collect deposit from customers and render other banking services.

Insurance company's penetration in Nigeria is one of the lowest in the world; about 86% of Nigerians do not have any form of insurance cover. Despite the fact that the Nigerian environment has a high and increasing level of risk, less than 2% of insurable risks are covered by insurance. The main reason given by Nigerians for not subscribing to insurance products is lack of awareness of the benefits. The emergence of Digital - Mobile Internet Penetration, Social Media, and E-commerce - presents new opportunities for insurers to deepen insurance penetration, engage and educate the public on the benefits of insurance products and ultimately realize their potential by increasing the contribution of the insurance sector to Nigeria's GDP. There are Nigerian and non- Nigerian companies engaged in insurance business of non-life and life insurance business. The services render are; Motor Vehicle Insurance, Healthcare Insurance, Travel Insurance, Life Insurance. In Nigeria, they are under the regulation of the Nigerian Stock Exchange (NSE) and are mainly established to provide services that will impact, improve and increase the gross domestic product of Nigerian and economy, by achieving synergies, diversification and earnings growth.

The origin of modern insurance are intertwined with the advent of British trading companies in the region and the subsequent increased inter-regional trade. Increased trade and commerce led to increased activities in shipping and banking, and it soon became necessary for some of the foreign firms to handle some of their risks locally (Adeyemi, 2005). Trading companies were therefore subsequently granted insurance agency licenses by foreign insurance companies. Such licenses made it possible for such firms to issue covers and assist in claims supervision. The first

of such agency in Nigeria came into force in 1918 when the Africa and East trade companies introduced the Royal Exchange Assurance Agency. Other agencies include Patterson Zochonis (PZ) Liverpool, London and Globe, BEWAC's Legal and General Assurance and the Law Union and Rock (Jegede, 2005). There was an initial slow pace of the growth of the insurance industry in Nigeria, particularly between 1921 and 1949. This has been traced to adverse effect of the World War II on trading activities both in the United Kingdom and Nigeria. As soon as the war ended business activities gradually picked up again, and insurance industry in Nigeria began to record remarkable improvement in growth (Egbe, & Paki, 2011). It was not until 1958 that the first indigenous insurance company, the African Insurance Company Limited, was established. At independence, only four (4) of the then twenty five (25) firms in existence were indigenous. By 1976, the number of indigenous companies had far surpassed that of the foreign companies. As at September 2005, there were one hundred and four (104) insurance companies and four (4) reinsurance companies in existence before recapitalization. Regulation of Nigeria insurance industry has become substantially intensified in the last two (2) decades. There are risks of potential abuse, low level awareness, poor market penetration, low operating capital, as well as low capacity for retention and acceptance of foreign risks (Eze, 2013), all of which led to massive regulation of the insurance sector of Nigeria financial system. The first major step at regulating the activities of insurance business in Nigeria was the report of the commission of 1961, which resulted in the establishment of department of Insurance in the Ministry of Trade and which was later transferred to the Ministry of Finance. The report also led to the enactment of Insurance Companies Act of 1961, which came into effect on 4th May, 1967. By the provisions of the Act, the office of the Registrar of Insurance was created to supervise insurance practice. Other provisions of the Act included minimum capital requirement and other conditions

for registration, monitoring, and control of insurance operation generally. This was followed by a series of legislation which sought to further the cause of insurance regulation in the country. The first major attempt at regulating insurance in the country was the promulgation of the Nigerian Insurance Decree, 1976. The biggest development in the Nigerian insurance includes the National Insurance commission (NAICOM) seizing control of the largest insurer - NICON. National Insurance Commission (NAICOM) is a refurbished institution, established by the penultimate military administration in the country in 1997. The power of NAICOM under the prevailing legislation for the industry in the country, the Insurance Act 2003, is clearly comprehensive. Section 86 of the Act provides that subject to the provision of the Act, NAICOM shall be responsible for administration and enforcement of the provisions of the insurance Act. Criteria and standards for registration, policy provision, rates, expenses limitations, valuation of asset and liabilities, investment funds, and the qualifications of sale representatives are set by NAICOM. The first major recapitalization process was introduced by the insurance Act 2003. Section 9 of the Act raised the minimum capital requirement by as much as 65%. This recapitalization exercise which ended in February 2004, however, still left over 107 insurance as well as reinsurance operators in the market and was perceived as not effectively achieving the aim of drastically reducing the number of players in the industry (Fatula, 2007). Section 9(4) of the Insurance Act provides that NAICOM may increase the amount of minimum capital requirement from time to time. The then Minister of Finance announced a new minimum capital regime in September 2005 which was to be complied with by the end of February 2007. While previous Insurance Act 2003 only required new capital of less than N 500 million (about $ 4 million); the 2005 recapitalization directive required a minimum of N 2 billion (about $ 15 million) for life insurance and N 3 billion (about $ 23 million) for non-life business. The 2005

recapitalization changed the landscape considerably as many companies were forced to merge in compliance with the follow-up directive of NAICOM that the requirements were only to be met through mergers and acquisitions. Out of the 104 insurance companies and 4 reinsurance companies in existence before the pronouncement, 49 insurance and 2 reinsurance companies met the new level and were certified by the government in November 2007. Based on the new capital base, insurers are to raise their capital according to the risks they underwrite. This is to enable insurers to concentrate on businesses in which they have core competence. The regulatory institution, NAICOM, is not looking at the direction of fresh recapitalization but a risk-based capital which will enable the insurance companies to recapitalize in accordance with the risks it is taking. For example, if you are an insurance company that does aviation and oil and gas underwriting, then you must have the wherewithal to absolve those risks. If you are an insurer that does motor insurance alone, you do not need the same capital.

2.1.11 Sustainability

"Sustainability is concerned with the effect which action taken in the present has upon the options available in the future. The starting point for every definition of sustainability comes from the Brundtland Report, which was published in 1987. This is actually a report named Our Common Future which was produced by the World Commission on Environment and Development. It is generally known however as the Brundtland Report after its chair". Sustainability looks into the effect of action taken today and the options available in the future. A situation where we use a particular resource in course of our business, we consider whether the resource will be available for future use. The concern is more on resources that have limited supply. Where a resource is limited in quantity and cannot or will be difficult to be recreated, the

question of sustainability comes to play. We must know that whatever resources that are used now will no longer be available to be used in the future. Therefore, for sustainability to be of effect, society must use no more than the resource they can regenerate. Raw materials extracted from the ground are finite in nature. For example; coal, oil and so on. Quantity used of these resources will not be available in the future at some point in time there has to be alternative. Sustainability measures the rate in which resources are consumed by an organization in relation to the rate it can regenerate those resources. In order to sustain unsustainable operations we need to plan for the future need of our operations.

2.1.12 Nigeria Sustainable Development Goals (SDGs) Indicators Baseline Report (2016)

Nigeria began to implement the SDGs in 2015 as an immediate successor and inheritor of the activities previously carried out under the Millennium Development Goals (MDGs). These activities ranged from the conduct of a comprehensive data mapping exercise aimed at ascertaining the various sources of data for the SDG Indicators to be monitored as well as the awareness programmes to be carried out at national and sub-national levels of government. Under the SDGs two of the goals are related to social and environmental issues.

Goal 6: Ensure availability and sustainable management of water and sanitation for all

Targets: The targets of Goal 6 go beyond drinking water, sanitation and hygiene to also address the quality and sustainability of water resources. To achieving this Goal, which is critical to the survival of people and the planet, means expanding international cooperation and garnering the support of local communities to improve water and sanitation management. Agenda 2030 recognizes the centrality of water resources to sustainable development and the vital role that improved drinking water, sanitation and hygiene play in the development of the community.

The indicators covered under this goal for the baseline study include:

Proportion of population using improved drinking water sources;

Proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water; and

Proportion of bodies of water with good ambient water quality

Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Targets: seek to promote the conservation and sustainable use of marine and coastal ecosystems; prevent marine pollution and increase the economic benefits to Small Island Developing States and LDCs from the sustainable use of marine resources.

The indicators captured as part of this Baseline Study include:

Sustainable fisheries as a percentage of GDP in Small Island Developing States, least developed countries and all countries;

Proportion of total research budget allocated to research in marine technology.

2.1.13. United Nations Development Programme (UNDP) Social and Environmental Standards

United Nations Development Programme (2014) has issue social and environmental standards that are related to social and environmental issues. These are;

Standard 3: Community Health, Safety and Working Conditions

1. The Community Health and Safety Standard recognizes that project activities, equipment, and infrastructure can increase community exposure to risks and impacts. This Standard addresses the need to avoid or minimize the risks and impacts to community health and

safety that may arise from project-related activities, with particular attention given to marginalized groups.

2. Labour is one of a country's most important assets in the pursuit of poverty reduction. Respect of workers' rights and the provision of safe working conditions are keystones for developing a strong and productive workforce.

Objectives

- To anticipate and avoid adverse impacts on the health and safety of affected communities during the Project life cycle from both routine and non-routine circumstances

- To respect and promote workers' rights, to promote the right to decent work, fair treatment, non-discrimination, and equal opportunity for workers, and to avoid the use of forced labour and child labour (as defined by the ILO)

- To provide workers with safe and healthy working conditions and to prevent accidents, injuries, and disease

Scope of Application

1. The applicability of this Standard is established during the social and environmental screening and categorization process. Requirements of this Standard apply to Projects that may pose significant risks to human health and safety and to Projects that seek to strengthen employment and livelihoods. Standards to avoid or minimize impacts on human health and the environment due to pollution are included in Standard 7: Pollution Prevention and Resource Efficiency.

Requirements

1. **Community health and safety:** Community health and safety refers to protecting local communities from hazards caused and/or exacerbated by Project activities (including flooding, landslides, contamination or other natural or human-made hazards), disease, and the accidental collapse or failure of Project structural elements such as dams. Project-related activities may directly, indirectly or cumulatively change community exposure to hazards. A significant concern with major development projects is the spread of communicable diseases from the workforce to the surrounding communities.

UNDP will ensure that Projects evaluate the risks to, and potential impacts on, the safety of affected communities during the design, construction, operation, and

decommissioning of Projects and establish preventive measures and plans to address them in a manner commensurate with the identified risks and impacts. These measures 48 will favour the prevention or avoidance of risks and impacts over their minimization and reduction. Consideration will be given to potential exposure to both accidental and natural hazards, especially where the structural elements of the Project are accessible to members of the affected community or where their failure could result in injury to the community. UNDP will ensure that Projects avoid or minimize the exacerbation of impacts caused by natural or man-made hazards, such as landslides or floods that could result from land use changes due to Project activities. UNDP will ensure that Projects are gender-sensitive and consider how women's and children's health and safety could be particularly at risk.

6. **Infrastructure safety:** Structural elements will be designed and constructed by competent professionals and certified or approved by competent authorities or professionals. For Projects

with structural elements or components whose failure or malfunction may threaten the safety of communities, UNDP will ensure that: (i) plans for Project supervision, operation, and maintenance are developed and monitored; (ii) independent expertise on the verification of design, construction, and operational procedures is used; and (iii) periodic safety inspections are carried out.

7. **Emergency preparedness:** UNDP will ensure that the Implementing Partner, in collaboration with appropriate and relevant authorities and third parties, will be prepared to respond to accidental and emergency situations in a manner appropriate to prevent and mitigate any harm to people and/or the environment. This preparation, reflected in planning documents, will include the identification of areas where accidents and emergency situations may occur, communities and individuals that may be impacted, response procedures, provision of equipment and resources, designation of responsibilities, communication, and periodic training to ensure effective response. The emergency preparedness and response activities will be periodically reviewed and revised, as necessary to reflect changing conditions. UNDP will consider the differential impacts of emergency situations on women and men, the elderly, children, disabled people, and potentially marginalized groups, and strengthen the participation of women in decision-making processes on emergency preparedness and response strategies. Appropriate information about emergency preparedness and response activities, resources, and responsibilities will be disclosed to affected communities.

Community exposure to disease: UNDP will ensure that Projects avoid or minimize the potential for community exposure to water-borne, water-based, water-related, and vector-borne diseases, and communicable diseases (e.g. HIV, TB and malaria) that could result from Project activities, taking into consideration the differentiated exposure to and higher sensitivity of

marginalized groups, including communities living in voluntary isolation. UNDP will ensure that Projects avoid or minimize transmission of communicable diseases that may be associated with the influx of temporary or permanent Project labour.

9. **Work standards:** UNDP respects and promotes the right to decent work.50 For Projects that aim to strengthen employment and livelihoods, UNDP will ensure compliance with national labour and occupational health and safety laws, with obligations under international law, and consistency with the principles and standards embodied in the International Labor Organization (ILO) fundamental conventions, including freedom of association, elimination of discrimination in employment and occupation, elimination of forced or compulsory labour, and elimination of the worst forms of child labour.

10. **Occupational health and safety:** Occupational health and safety refers to protecting workers from accident, injury or illness associated with exposure to hazards encountered in the workplace. Hazards can arise from materials (including chemical, physical and biological substances and agents), environmental or working conditions (e.g. oxygen-deficient environments, excessive temperatures, improper ventilation, poor lighting, faulty electrical systems), or work processes (including tools, machinery and equipment). UNDP will ensure that workers52 are provided with a safe and healthy working environment, taking into account risks inherent to the particular sector (including gender bias) and specific classes of hazards in the work areas. Where relevant, UNDP will ensure steps are taken to prevent accidents, injury, and disease arising from, associated with, or occurring during the course of work and will ensure the application of preventive and protective measures consistent with international good practice, as

reflected in internationally-recognized standards such as the World Bank Group's Environmental, Health, and Safety Guidelines.

11 Security-related issues: Where UNDP Projects involve engagement of security personnel to protect facilities and personal property, security arrangements should be provided in a manner that does not violate human rights or jeopardize the community's safety and security. UNDP will ensure that potential risks posed by security arrangements to those within and outside the Project area are assessed, that those providing security are appropriately vetted and trained, and that security arrangements are appropriately monitored and reported

Standard 7: Pollution Prevention and Resource Efficiency

1. The Pollution Prevention and Resource Efficiency Standard recognizes that increased industrial activity, urbanization, and intensive agricultural development often generate increased levels of pollution78 to air, water, and land, and consume finite resources in a manner that may threaten people and the environment at the local, regional, and global level. Pollution prevention and resource efficiency are core elements of a sustainable development agenda and UNDP Projects must meet good international practice in this regard.

2. This Standard outlines a project-level approach to pollution prevention and resource efficiency. Reduction of greenhouse gas emissions that contribute to climate change is addressed in Standard 2: Climate Change Mitigation and Adaptation.

Objectives

- To avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution from Project activities

- To promote more sustainable use of resources, including energy, land and water

Scope of Application

3 The applicability of this Standard is established during the social and environmental screening and categorization process. Requirements of this Standard apply to Projects that (i) aim to improve existing waste management practices; (ii) generate or cause generation of solid, liquid or gaseous waste; (iii) use, cause use of, or manage the use, storage or disposal of hazardous materials and chemicals, including pesticides; and (iv) that significantly consume or cause consumption of water, energy, or other resources.

Requirements

4 Pollution prevention: UNDP will ensure that Projects avoid the release of pollutants, and when avoidance is not feasible, minimize and/or control the intensity and mass flow of their release. This applies to the release of pollutants to air, water, and land due to routine, non-routine, and accidental circumstances UNDP will ensure that pollution prevention and control technologies and practices consistent with international good practice80 are applied during the Project life cycle. The technologies and practices applied will be tailored to the hazards and risks associated with the nature of the Project.

5 Upon request, UNDP will support countries to strengthen management and systems for improved pollution prevention, waste reduction, and chemicals management.

6 **Ambient considerations:** To address adverse impacts on existing ambient conditions (such as air, surface water, groundwater, and soils), a number of factors will be considered, including the finite assimilative capacity of the environment,82 existing and planned land use, existing ambient conditions, the Project's proximity to ecologically sensitive or protected areas, the potential for cumulative impacts with uncertain and irreversible consequences, and strategies for avoiding and minimizing the release of pollutants.

7 **Wastes:** UNDP will ensure that Projects avoid the generation of hazardous and non-hazardous waste materials. Where waste generation cannot be avoided, Projects will reduce the generation of waste, and recover and reuse waste in a manner that is safe for human health and the environment. Where waste cannot be recovered or reused, it will be treated, destroyed, or disposed of in an environmentally sound manner that includes the appropriate control of emissions and residues resulting from the handling and processing of the waste material. If the generated waste is considered hazardous,83 reasonable alternatives for its environmentally sound disposal will be adopted while adhering to the limitations applicable to its transboundary movement. When hazardous waste disposal is conducted by third parties, UNDP will ensure the use of contractors that are reputable and legitimate enterprises licensed by the relevant government regulatory agencies and that chain of custody documentation to the final destination is obtained

8 **Hazardous materials:** UNDP Projects will avoid or, when avoidance is not feasible, minimize and control release of hazardous materials resulting from their production, transportation, handling, storage and use. Where avoidance is not possible, the health risks, including potential differentiated effects on men, women and children, of the potential use of hazardous materials will be addressed in the social and environmental assessment.

UNDP Projects will consider the use of less hazardous substitutes for such chemicals and materials and will avoid the manufacture, trade, and use of chemicals and hazardous materials subject to international bans or phase-outs due to their high toxicity to living organisms, environmental persistence, potential for bioaccumulation, or potential for depletion of the ozone layer.

9 **Pesticide use and management:** For Projects involving pest management activities, the social and environmental assessment will ascertain that any pest and/or vector management activities related to the Project are based on integrated pest management approaches and aim to reduce reliance on synthetic chemical pesticides. The integrated pest/vector management programme will entail coordinated use of pest and environmental information along with available pest/ vector control methods, including cultural practices, biological, genetic and, as a last resort, chemical means to prevent unacceptable levels of pest damage. When pest management activities include the use of pesticides, pesticides that are low in human toxicity, known to be effective against the target species, and have minimal effects on non-target species and the environment will be selected. The health and environmental risks associated with pest management should be minimized with support, as needed, to institutional capacity development, to help regulate and monitor the distribution and use of pesticides and enhance the application of integrated pest management.

10 UNDP will ensure that the Project will not use products that fall in Classes Ia (extremely hazardous) and Ib (highly hazardous) of the World Health Organization Recommended Classification of Pesticides by Hazard. WHO Class II (moderately hazardous) pesticides will not be used if the relevant agency or Implementing Partner lacks restrictions on

distribution and use of these chemicals or facilities to handle, store, apply and dispose of these products properly, or if they are likely to be accessible to personnel without proper training and equipment. Pesticides will be handled, stored, applied and disposed of in accordance with international good practice such as the FAO International Code of Conduct on the Distribution and Use of Pesticides.

11 **Resource efficiency:** UNDP will ensure Project implementation of technically and financially feasible and cost-effective measures88 for improving efficiency in the consumption of land/soils, energy, water, and other resources and material inputs.89 Such measures will integrate the principles of cleaner production into product design and production processes with the objective of conserving raw materials, energy, and water. Where benchmarking data are available for resource intensive Projects, a comparison to establish the relative level of efficiency will be undertaken.

12 For Projects with high water demand (generally greater than 5,000 m3/day), in addition to applying the resource efficiency requirements of this Standard, UNDP will ensure that measures are adopted that avoid or reduce water usage so that the Project's water consumption does not have significant adverse impacts on others or to sensitive ecosystems.

2.1.14 Traditional or Classical Corporate Reports

Traditional corporate reporting system is confined only to financial matters, which are quantitative costs expenses, revenues. But social consequences of the activities of corporate organizations were not reported.(Nkanbra & Okorite, 2007, Azubike, 2008). The traditional

approach to corporate reporting is based on the classical goal of a company, which is profit maximization, and did not reflect any social issues or concerns.

The Companies and Allied Matters Act (CAMA, 2004) amended and the Nigerian Accounting Standards Board (NASB) now Financial Reporting Council of Nigeria (FRCN). Both mandate companies to highlight in their annual financial statements. Section 334 (4) of CAMA 2004 specifically required corporate bodies to prepare financial statement which is made up of the following:

i. Statement of accounting policy.
ii. Director's reports.
iii. Auditor's report.
iv. Statement of comprehensive income /income and expenditure for the current year for non for profit making organization.
v. Statement of financial position as at the year end.
vi. Note to the accounts
vii. A statement of source and application of fund now (cash flow statement).
viii. A five year financial summary
ix. A value added statement for the year, and
x. A group financial statement for company having subsidiaries

2.1.15 Objective of Social Responsibility Accounting

Reporting on social responsibility or social sustainability performance (http\\www.google.com, 2014) or social responsiveness (Dandogo, & Muhammad, 2011; Onyekwelu, & Uche, 2014) is an important way for organization to manage their impact or sustainable development. The challenges of sustainable development are many, and it is widely accepted that organizations have not only a responsibility but also a great ability to exert positive change on the state of the word's economy, and environmental and social conditions (http\\www.google.com). Reporting leads to improved sustainable development outcome because it allows organizations to measure, track, and improve their performance on specific issues. Organizations are much more likely to effectively manage an issue that they can measure.

The objective of social accounting is to provide the general public about social welfare measures taken by the organization, and their effect on the society. How far organization is successful in fulfilling the social obligations comes to light through social accounting (Uwuigbe, Uwuigbe, & Ajayi, 2011). Social reporting promotes transparency and accountability. Through social accounting reporting an organization discloses information in the public domain. In doing so, stakeholders can track an organization's performance on broad themes – such as environmental performance or labour conditions in factories. Performance can be monitored year on year or can be compared to other similar organizations

(Nkanbra & Okorite, 2007); Azubike, 2008); Uwalomwa, & Ben- Caleb, 2012) highlight the objectives of social responsibility accounting to include the following:

I. To identify and measure the periodic net social contribution of an individual organization towards the society, which includes those that are both internal (employees) and external (communities and environment).

II. To determine whether a firm's strategies and practices which directly affect the well being of individual communities and social segments and generations are consistent with widely shared social practice and individual' s legitimate aspiration.

III. To make available relevant information on a company's goals, policies, programme performance and contribution to social goals in an optimal manner to all social constituents.

(Onyekwelu, et. al. 2014) agrees with (Nzewi, et. al. (2013), and enumerates the following as objectives of corporate social accounting

i. Determination and measurement of the net social contribution of the organisation towards those that are both internal (employees) and external (communities and environment) to the organisation.

ii. Evaluation of social performance of an organisation by ascertaining whether the organisation's strategies and practices which affect the wellbeing of individual communities and social segments are consistent with the social priorities and the organisation's legitimate aspiration for a reasonable return to stakeholders.

iii. Disclosure of relevant information of the activities that have social influence (Mainoma, 2011; Ekwueme, 2011).

2.1.16 Need for Social Responsibility Accounting

There is need for social responsibility accounting because its reporting process is advantageous to the reporting organization as well to the stakeholders (Nkanbra & Okorite, 2007; Omoye, 2006). Furthermore, (Nkanbra & Okorite, 2007) observes that the need course or social responsibility accounting "arise because of the problems created by organizations in the course

of carry out their operations”. Some of the problems caused by organizations that necessitate social responsibility accounting include:

i. Environmental pollution
ii. Erosion, denudation, massive destruction of vegetation
iii. Dislodgement of communities, example, the people of old Finima (River State) were dislodged while sitting NLNG at Bonny, and
iv. Exploitation of workers in pursuit of profit maximization.

The need for social accounting reporting arises due to the need to reflect how organizations have responded to the alleviation of problems created by them.

(Selvi, 2007) identifies those to whom social responsibility accounting is meant to include: the organization and the stakeholders. Accordingly, the needs for CSR reporting to the organization are:

i. It helps in improving financial performance
ii. It clearly highlights the link between improved social performance and improved financial performance.
iii. It helps in enhancing relationships with stakeholders.
iv. It helps in managing risk.
v. It helps in establishing clear alignment in strategy and operation with aims and values
vi. It helps in specifying the organization’s boundaries for responsibility.

To stakeholders, (Selvi, 2007; Leyira,Uwaoma, & Olagunju, 2011) reports that the need for social accounting among stakeholders includes:

i. It brings into focus the critical aspects of accountability in a positive, innovative manner and increase transparency.
ii. It enhances an entity's reputation for practicing it's values
iii. It improves a comprehensive feedback from the stakeholders. Thereby focusing the management's attention on the outcome and how it responded to the outcome.
iv. It brings into focus the stakeholders' view of the entity.

2.1.17 Justification for Social Responsibility Accounting

Not long ago, a maelstrom debate existed on whether or not corporate establishments should Participate, intervene or be involved in solving social problems in their areas of operation and in the society as a whole. The debate seems to have largely conventionally been resolved on the affirmative side that is on the necessity for corporate bodies to be involved in meeting social responsibilities (Azubike, 2008)

Prior to debate, the prevailing social and economic culture was that corporations should conduct their business on pure economic basis (profit maximization). Currently, there is wide acceptance of broadened and diversified perspective on business consideration and activities which in concept and practice lie beyond traditional or classical economic objective.

(Musa, & Shehu, 2013) opines that in simple terms, a contemporary corporate organization should be normally mindful of the entire social milieu of its enterprise including attending to the multifaceted social responsibilities.

Often, the encompassing argument, which is drawn upon with regard to the concept of social responsibility, is that business neither exists in isolation from society nor does a healthy corporate system exist in an unfavourable or enfeebled environment (Imoh-Ita, 2013; Dobers,

2009). This clearly shows that the agreement that all type of public problem should be taken care of by government no longer holds in the real world.

As a result, a number of relatively new slogans or directions for business in the society seem to win the day. This is largely justified on the grounds the acceptance of social responsibility enhance public confidence in business and facilitate the achievement of favourable economic system by corporate executive who act in socially acceptable and desirable manner (Gavrea, & Stegerean, 2011). There is also the need to balance the power responsibility equation in business along the line of the axiom that "those who do not take responsibility for their power, ultimately lose it" (Makori, & Jagongo, 2013)

In simple terms, public and corporate bodies have widely come to accept the fact that while profit making for business is important, it is itself alone cannot guarantee the survival of business. Today, the management orientation that is widely accepted is that business should adopt a broader outlook in its operation given the fact the avoidance of social responsibility may weaken the life of the enterprise.

To recall, social responsibility is the "voluntary consideration of public social goals alongside the private economic ones" (Musa, & Shehu, 2013). The question is how proper mix or balance between solving public problems and at the same time achieving its primary interest, which is profit making. A number of view point exist on this matter especially as many corporations have grown in size with their economic activities leading to increasing largely negative social consequences. The dominant view points are to leave the matter of involvement in social responsibilities to the goodwill of management of corporation. This implies that they should sort things out as it concerns the decision on how best to achieve an appropriate balance between social and economic goals of the organization (Archie, & Kareem 2010)

On the continuum of direct or no direct control of management with regard to handling social responsibility, there exist two divergent positions. (Ogbugu, 2006) posits at one extreme thus: The call for direct or formal control by government of management of the corporation is to facilitate the pursuit of social goals of the society. This position is similar to the controversial call the statement particularly in the 1970 for nationalization of major foreign investments in some third world countries. For some leaders and policy makers in the developing countries, this constitutes a possible strategy, objective or ideology for enhancing development in their state. Put more directly, the reason adduced for the strategy of nationalization is hinged on the increasing role of the state in the regulative, welfare and planning functions, or more so, as a major economic actor in the society.

At the other extreme of the continuum is opposition to direct state control instead is given to control by shareholders, which should ensure that the enterprise does not waver form private economic objectives.

Between the above stated opposite ends of the continuum are other view point that be considered as less extreme. These have to do with, as (Leyira, Uwaoma, & Olagunju, 2011) put it:

i. How to democratize corporate management or governance to include a variety of stakeholders such as worker, local communities, customers, environmentalists and the state etc.
ii. How to regulate the enterprise so that the company shares it control with the government, the later will be better located to ensure that necessary social goals are given adequate problem solving attention.
iii. How to implement direct management control but tamper with either less formal influences such as using the power of public and societal persuasion to ensure compliance with regulations on public problems, and

iv. How to induce the enterprise to conform to the need for social responsibility through the application of incentives such as liberal tax law or procedures to induce favourable disposition to social goals

Some scholars and writers argue that it is largely unnecessary to intervene in the operations of corporations. This contending argument which in the main, expose leaving the business corporation alone and maintain, like Adam smith and heir of his classical vision, that a corporate body is "led by invisible hand to promote and end which was no part of his intention". (The Encyclopaedia of Philosophy, Vol. 7 & 8:463). Put slightly different, there is the belief that "a kind of invisible hand ensures that … economic corporation acts in a socially responsible manner" (Amao, 2012).

2.1.18 Form of Social Responsibility

There is tall list of plausible options or forms of social responsibility behavior for managers. They are mainly out of successful business actions as they attempt to grapple with and thus enhance the well-being of the society. The unordered options shown in table 1 seem popular. Learning further from (Jones & George, 2003), it show from their discussions the possible extent, reach and approaches to social responsibility and when management can be reasonably considered as socially responsible.

Table 1: Forms of Social Responsibility

i.	Contribution toward enhancing education
ii.	Assistance in health delivery and provision of health facilities
iii.	Urban renewal.
iv.	Help in reducing social and economic alienation
v.	Help in fighting poverty alleviation
vi.	Welfare programmes for the disadvantaged in society
vii.	Manpower training
viii.	Gender sensitivity facilitation\training
ix.	Reducing environmental hazards, pollution and degradation.
x.	Contribution to charity, that is, corporate, philanthropy or help to humanitarian institutions
xi.	Contribution and support for civic projects, programmes and activities
xii.	Aid local security efforts
xiii.	Employment, and
xiv.	Providing safe work environment

Source: Adopted from (Jones & George, 2003)

Table 2: Forms of Socially Responsibility Behavior

i. Provide severance payments to help lay off workers make ends meet until they can find their jobs.

ii. Provide workers with opportunities to enhance their skills and acquire additional education so they can remain productive and do not become obsolete because in technology.

iii. Allow employees to take time off when they need to and provide health care and pension benefit for employees.

iv. Contribute to charities or support civic-minded activities in the cities or towns in which they are located.

v. Decide to keep open a factory whose closure would devastate the local community

vi. Decide to keep a company's operation to protect the jobs of worker s rather than close it or move to somewhere else.

vii. Decide to spend money to improve a new factory so that it will not pollute the environment.

viii. Decline to invest in societies that have poor human rights records, and

ix. Choose to help poor societies develop an economic base to improve living standards.

Source: adapted from (Jones & George, 2003).

In the view of (Makori, & Jagongo, 2013), socially responsible behavior range from low social responsibility (obstructionist approach) to high social responsibility (proactive approach) At the middle are two more type referred as defensive accommodative approaches. Simply stated, obstructional corporate establishments and managers are not inclined to adopt socially responsible behaviour. Where they could, they act unethically and illegally in suppressing adverse information about their operations (Leyira, Uwaoma, & Olagunju , 2011). A number of companies such as the oil companies are alleged to adopt this awful method in hiding oil spillage and the danger of gas flaring on the environment, among other problems.

(Onyekwelu, et. al. 2014) noted that a defensive approach follows ethical order as strictly specified by the law and regulations. No effort is made to advance the cause of ethical behavior beyond the law. From this perspective, the managers' view is that public problem should be solved by public intervention or action. In effect, it is not business responsibility. The only obligation they see as legitimate is paying prescribed tax or taxes to government. The Nigerian experience is that generally a good number of corporate bodies which operate in the country want to get out of trouble by not clashing with government, regulatory agencies, communities, non-governmental organizations, associations, environmentalists and other interested stakeholders. (Minga, 2010) observes that in the Niger Delta area, there is indeed; allegations that management of particularly oil companies, where they can, circumvent the law and regulations in ways that often put shareholders' interest above the concern of stakeholder and society.

Accommodative approach is amenable to support for social responsibility or corporate employees and management to conform to legal and ethical behaviour. Within this frame,

management wants staff to take steps that will put the company in good and reputable stead in the society.

Managers that adopt proactive approach do meaningful attempt to avoid socially irresponsible ways of behaviour. They normally embrace good ethical organization and culture, indeed, convinced about the need to undertake activities that are significantly supportive of enchaining social responsibility, they endeavour to go beyond the provisions of the laws, rules and regulations to make choice that promote good and favourable relations and reputation in its area of operation and by extension, the society as a whole.

Many Nigerian and non- Nigerian, researcher, scholars and policy analysts, professional bodies and practitioners, and so on, argue that monitoring and social audit of corporate performance in social responsibility are not adequately carried out. Corporate regulations and social responsibility compliance, imposition of sanctions, legal redress, proper implementation of taxation and incentive provisions, disclosure of necessary and stipulated information on corporate operation, et cetera, come under serious social criticism.

2.1.18 Arguments against Social Involvement in Business

(Azubike, 2008) itemised the arguments against social involvement in business to include:

1. The primary task of business is to maximise profit by focusing strictly on economic activities and as such social involvement could reduce economic efficiency.
2. In the final analysis, society must pay for the social involvement in business through higher prices.
3. Business has enough power and additional social involvement would further increase its power and influence.

4. Business people lack the social skill to deal with the problem of the society as their training and experience are on economic matters.
5. There is lack of accountability of business to society and unless accountability can be established, business should not get involved.
6. There is no complete support for involvement in social action and as a consequence, disagreement among groups with different view point will cause friction.

On the other side of the divide, are proponents who contend that the best way for a firm to maximise shareholders' wealth is to act in a socially responsible manner and that where a firm behaves responsibly, benefits accrue to the bottom line, implying that when a firm does not behave responsibly, the shareholders suffer financially. Pitts & Lei, 2003 (as cited in (Nzewi, et. al. 2013). Thus, in addition to the belief that firm should be able to ''do well by doing good''.

2.1.19 Arguments for Social Involvement in Business

The arguments for social involvement in business were summarised by (Azubike, 2008), thus:

1. Public needs have changed leading to expectation. Business received its charter from society and consequently, has to respond to the needs of the society.
2. The creation of a better social environment benefits both the society and the business.
3. Social involvement discourages additional government regulations and interventions resulting in greater freedom and more flexibility in decision making in business.
4. Business has a great deal of powers and therefore should be accompanied by an equal amount of responsibility.

5. Modern society is an interdependent system and the internal activities of firms have an impact on the external environment.
6. Social involvement may be in the best interest of stakeholders and do create favourable public image which attracts customers, employees and investors.
7. It is better to prevent social problems through business involvement than to cure them. It may be easier to help the hard-core unemployed than to cope with social unrest.

2.1.20 Corporate Social Disclosures and Proportion of Social Reports

Overview of corporate reports

Corporate social disclosures (CSD) have been studied for many decades. Some of the salient issues border on why organizations should report social practices to other stakeholders. A number of theories ranging from "agency theory, to institutional theory to shareholder theory to ethical theory have been used to underline the reason" (Onyekwelu, & Uche, 2014) classifies these arguments under three heads. First, it has been argued that the social disclosures have a positive impact on the performance of an organization. Second, the disclosures may legitimize an organization's behavior by influencing the perception of other stakeholders. Third, voluntary disclosures signify the recognition of the organizations moral accountability.

Various stakeholders perceive these disclosures as a strong signal of the company's commitment to social or sustainable practices. For instance, in the financial markets, investors do place a lot emphasis on social metric and as a result use corporate social report as a major tool of analysis (Global Reporting Initiative (GRI, 2007).

2.1.21 Reporting Corporate Social Responsibility Practices

The ways in which corporate social practices have been reported have undergone changes over the years. In some sections in annual reports, more companies are now producing stand-alone report under the title of sustainability reports (KPMG, 2011). The methodologies of social reporting in the last 30 years have been classified based on whether the report talk about both inputs and outputs and also the number of indicators used (Nkanbra, et. al, 2007) in the last five years institutions like the global reporting initiative (GRI) have come out with elaborate guidelines for preparing social or sustainability reports. These guidelines are for preparing social or sustainability reports.

In Asia, Japan has made significant strides in building such corporate social reporting initiatives, but other countries like India and china have a very limited number of companies, and that too in select industries like oil, chemicals and steel, providing social reporting (KPMG, 2011).

However, the contents of such reporting, particularly in countries like Nigeria, remain understudies and fragmented. The focus of even academic literature when it comes to such studies has been on organizations in the developed world. This create gap that need be explored.

2.1.22 Accounting for Social Responsibility

1) **Approaches to social responsibility accounting**

   (Glautier et. al. 2011) identify three approaches to accounting for social responsibility as descriptive approach, cost outlay approach and cost benefit approach.

a) **Descriptive approach**

This approach advocate the listing of all corporate social activities which may be reported in from of short sections in the annual report to shareholders or in a separate publication dealing with corporate social responsibility. The disadvantage of the approach is that social responsibility not quantified to enable a good assessment of corporate responsiveness rewards its social responsibility (Glautier & Underdown, 2011).

b) **Cost outlay approach**

This approach lists corporate expenditure on each social activity undertaken, quantified in money terms. The advantage of this approach is that it makes comparison in achievement between successive years in level of financial commitment to social activities to be possible as cited in (Uwuigbe, Uwuigbe, & Ajayi, 2011). Cost out lay approach does not disclose the benefit made therefore does not comply with the matching concept. Another advantage of this approach may include inefficient programmes.

c) **Cost benefit approach**

This approach match’s expenditure incurred on each social activity with benefits associated with it. It has the disadvantage in that it is difficult to quantify some element of benefits as they are qualitative (intuitive or psychic).

2) **Measurement of social contribution**

There is a general acceptance of the concept of social responsibility. However, the problem of measure as it is difficult to quantify expenditure incurred and some benefits derived (Nkanbra & Okorite, 2007)

Management of social contribution is dependent on who determines what social responsibility is. (Imoh-Ita, 2013) recommends five methods or techniques for giving values to quantitative social responsibility matters, surrogates valuation, survey method, appraisal method, court decisions method and analysis method.

i. **Surrogate valuation technique**

This is assignment of value of an activity similar to the social activity in diction to the value of that social activity. Azubike, 2008 (as cited in Uwuigbe, et. al., 2011) explains that the technique entails where an oil spillage occurs in a particular locality in the Niger Delta and the amount of loss cannot be immediately determine in the village. To determine or fix the amount of the loss, a similar past occurrence any other location which has been determined through decided court cases can be surrogated to that of the current oil spillage, after necessary adjustments.

ii. **Survey Method**

This method determines value of social activity by obtaining information through a survey of those within the society who make the sacrifice, example, those ravaged by oil spillage or those who receive the ability, example of gas turbine (Nkanbra & Okorite, 2007).

iii. Court Decision

Paying for damage as determine by courts of law (Uwalomwa, & Ben- Caleb, 2012) identify an example of this method the case of some oil communities in Bayelsa State that took shell Petroleum Company to court over some environmental problems, which the court ruled in favour of the Bayelsa communities.

iv. Analysis Technique

Azubike, (2008). State that the method involved the analysis of available economic and statistical data with the aim of placing value.

3) Social responsibility reporting

Bell, 2012 while (citing Glautier & Underdown, 2011) report that there are five concept on the manner in which social responsibility may be reported. The methods include net profit contribution, human resources contribution, public contribution, environmental contribution as well as product and service contribution.

a. Net Profit contribution method

This concept is of the view that profit maximization goal satisfies both organization goals and social responsibility goals. It therefore, advocates that companies should state in the financial statements the net profit contribution to social responsibility (Uwuigbe, Uwuigbe, & Ajayi, 2011). The concept assumes an interdependence between profit and social responsibility as a conducive social environment will enhance profitability, some of which should be ploughed back to the community for social development.

(Leyira, et. al. 2011) observe that the independent relationship is lacking or seemingly, absent between the oil companies and their host communities and why the oil companies are having problems. Since oil companies are only interested in the profit they will make, they give very little consideration to the social consequences. As a consequence of this, oil companies often have their pipelines blown up and vandalized and their workers often held hostages. The concept of net profit consideration is to draw attention to the circumstances under which the profit has been produced.

b. Human Resource contribution method

These methods advocate that the impact of a firm's activities on the people that constitute the human resources or manpower should be reflected or affirm, therefore, star its contribution on:

- The job training for it employees
- The employment opportunities\job security\promotion
- Appealing remuneration packages
- Conductive working condition, staff school, canteen services, training school, etc.
- Drug and alcohol counselling, and
- Job enrichment (Nkanbra & Okorite, 2007).

The recommendations of accounting standards steering committee (ASSC, 1975) on the need for employment report partially satisfies this concept , through there is need for better and more detailed disclosure. The employment report currently being disclosed in Nigeria is not adequate (Onyekwelu, & Uche, 2014)

c. Public contribution method

The concept view that a firm's social responsibility accounting should be in relation to that firm's contribution to the public, that is, in its involvement in activities that will benefit the entire community (Glautier et, al., 2011). The activities as identified by Glautier & Underdown, include: general philanthropy or charities, public transportation, health services, housing education in form of scholarship grants, building of school, classrooms, hostels etc. any voluntary activity.

d. Environmental contribution

This involves the organization's contribution towards the alleviation, elimination or prevention of environmental pollution. Some oil companies in Nigeria seem to care less about the environmental pollution caused by their activities in the country, contrary to local and international environmental law. (Onyekwelu, et. al., 2014) report that prominent Nigerians have died while trying to insist that oil companies should comply with environmental laws.

e. Product and service contribution method

(Glautier et. al. 2011) identify this method to include

- Maintenance and promotion of the quantity of goods being produced by a company
- Good packaging and labelling
- General production safety, and
- Responsiveness to consumers' complaint.

Communication of Social Responsibility Contribution

There are two approaches to the communication of social contribution information. (Uwalomwa, et. al., 2012) identify the two approaches as integrated report approach and separate approach. Social responsibility accounting is incomplete without social responsibility audit and the communication of the audit report to the shareholders

1. **Integrated report approach**

This approach suggests that social contribution information should be integrated with the traditional corporate financial reporting format. This is based on the assumption that social responsibility accounting is an extension of corporate financial.

2. **Separate report**

This approach states that there should be two separate reports for an organization. These should include traditional financial report and corporate social responsibility reports. This is based on the argument that traditional income statement and social responsibility accounting are different and should be report as such. The approach also suggests that the two statements should be compared.

(Uadiale, & Fagbemi, 2011) argue that there will be a problem of comparing the two statements if they are not prepared on the same basis. The traditional corporate financial report is quantified in naira and is prepared based on fundamental accounting concept and principles. Unless social corporate responsibility reports are also prepared along the same premise, comparison will be difficult. The general tendency, however, is towards the integrated approach (Ojo, 2012).

2.1.23 Difficulties of Reporting Social Responsibility Accounting

i. Definition of user's needs

The problem of the definition of the user of CSR reports arise because it is difficult to determine the users of social responsibility accounting report or information. (Makori, & Jagongo, 2013). All the users of accounting information will also need CSR information. Therefore, the needs of one group of users may conflict with the needs of other group(s) where this problem exists, it was difficult to define their objectives and develop an acceptable concept.

ii. Definition of user's objectives

The information need of a section group might impose their own objective on the majority. User of corporate social responsibility accounting information may have distinctively different objectives from the group of user of corporate financial reporting information (Olowokudejo & Aduloju, 2011). For instance, a pressure group within the organization might impose their own objective on the majority of the organization. Therefore, the identification of the needs of the various groups is likely to pose a complex problem.

iii. Lack of generally acceptable concept

Having no general acceptable concept of the social responsibility of business enterprise, organisations have not yet developed clear views of society's preferences and priorities. They are therefore, not able to neither plan social activities nor make a good report on their performance (Uadiale, et. al., 2011; Uwalomwa, 2011).

iv. Problem of making public decisions

The difficulty in making public decisions about the social good of an organization creates problems in reporting social responsibility. (Musa, & Shehu, 2013) argues that without including

the possibility of interpersonal comparison of utility, whatever measurement or method used to determine the social preferences for a wide range of a set of individual orderings are either imposed or dictated.

v. Problem of quantifying social activities

The difficulty of quantifying some aspects of social activities carried out by corporate organizations also creates problems in cooperate social responsibility accounting reporting.

2.1.24 Implications of Social Accounting on Financial Reporting

(Uadiale, & Fagbemi, 2011) classified the key implications of social accounting on the accounting profession thus;

1. Social accounting will offer opportunities for accountant to expand their profession and to perform valuable socially responsible services.
2. Development of a theoretical base or framework for social accounting. This would certainly create a better conceptual base from when to enter social accounting at some future time and would also maintain a core group of specialist knowledge in that area.
3. Social accounting will expand the areas of specialization within the accounting profession.
4. Social accounting will also provide more interaction formal and informal with other professions, particularly with social scientists sociologists and statisticians. It would provide more education and professional scholars.
5. The practice of social accounting there will help to establish defined ethical standards among organizations.
6. It will provide a detailed insight to the public on how management and especially accountants are treating social issues.

7. Social accounting will provide the impetus for more research and development in the field of accounting.

2.1.25 Challenges of Implementing Social Accounting

The major challenges towards implementing social accounting in organization according to (Selvi, 2007; Marcia, Otgontsetseg, & Hassan, 2014) are;

i. Issue of measuring the value additions to resources that is invested in social processes
ii. Issue of inventing a social book-keeping system
iii. Issue of establishing a social accounting report format which integrates both narrative as well as financial report which could be independently verified and generally acceptable.

(Minga, 2007) stated that a full set of social account is likely to include the following:

1. A report on performance against the stated objectives (how well have we done what we said we would do?).
2. As assessment of the impact on the community (can this be measured?). (What do people think?).
3. The view of stakeholders on our objectives and values- (are we doing the “right” things? Are we walking our talk”?
4. A report on environmental performance (are we “living rightly” and minimizing resource consumption?
5. A report on how we implement equal opportunities (do we effectively encourage social inclusion?)

6. A report on compliance with statutory and voluntary quality and procedure standards (Do we do what is expected of us and more?).

2.1.26 Organizational Performance

Continuous performance is the objective of any organization because only through performance, are organizations able to grow and progress (Gavrea, et. al., 2011). The concept of corporate performance is fuzzy, as scholars often agree that there is no universal definition of the concept. Scholars often agree that corporate performance is a function of time and organizational context.

(Daft, 1991, cited in Fauzi, Svensson, & Rahman, 2010) defined corporate performance as the organization's ability to attain its goals by using resources in an efficient and effective manner. (Gavrea et al., 2011) provide a set of definitions to illustrate the concept of organizational performance:

Performance is a set of financial and nonfinancial indicators which offer information on the degree of achievement of objectives and results; Performance is dynamic, requiring judgment and interpretation; Performance may be illustrated by using a causal model that describes how current actions may affect future results; Performance may be understood differently depending on the person involved in the assessment of the organizational performance (e.g. performance can be understood differently from a person within the organization compared to one from outside); To define the concept of performance is necessary to know its elements characteristic to each area of responsibility; and to report an organization's performance level, it is necessary to be able to quantify the results.

Organizational performance is the comparison of the actual results of an organization with its intended results (en.m.wikipedia.org). According to (Ojo, 2012), organizational performance

refers to the extent to which a firm is able to accomplish its stated objectives which can be in the area of market share, turnover, innovation, productivity, profitability, customers' satisfaction etc. Market share refers the percentage of the total business transaction of a particular industry which a firm has. Turnover is the actual sales value of a firm. Innovation is the modification of an existing product into a new product. Productivity is a measure of how well a firm is performing which also serves as an indicator of the efficiency and competitiveness of a firm in the production and marketing of goods and services (Uwalomwa, et al., 2012) divided corporate performance into operational and financial performances. Operational performance includes:

(i) market share, (ii) product quality, and (iii) marketing effectiveness. Financial performance is broken down into two subcategories: (i) market-based performance (e.g., stock price, dividend payout and earnings per share) and (ii) accounting-based performance (e.g., return on assets and return on equity).

The concept of corporate performance in accounting literatures refers normally to financial aspects such as profit, return on assets (ROA) and economic value added (EVA), using the nick name of 'the bottom line' (Fauzi et al., 2010). Kaplan & Norton, 1992, (cited in Fauzi et al., 2010) coined the extended measurement of corporate performance as balanced scorecard, where the core idea is to balance the domination of financial and non-financial aspects in corporate performance. (Simons, 2000,) cited in Fauzi et al., 2010) opined that corporate performance is a function of market mechanism reflected in the way the company interacts with the financial, factor and customer product markets.

In the financial market, corporate performance strives to satisfy shareholders and creditors in the form of financial indicators. In the factor market, such as suppliers and other production owners, the corporate ability to pay in time and in agreed amount are important in evaluating corporate

performance (Fauzi et al., 2010). Finally, from the perspective of customer product market, corporate performance will be evaluated by parties in the market based on the ability of the corporation to deliver value to customers with affordable price which is the net effect, in turn, will be indicated in the corporate revenue (Fauzi et al., 2010).

(GRI, 2007). Corporate performance management (CPM) is the area of business intelligence (BI) involved with monitoring and managing an organization's performance, according to key performance indicators (KPIs) such as revenue, return on investment (ROI), overhead, and operational costs. CPM is also known as business performance management (BPM) or enterprise performance management (EPM). Profitability refers to the capacity of firm to generate profit. Profitability which is one of the indicators of organizational performance has two types of ratio namely return on sales, and return on investments (Peavier, 2012).

Return on sales refers to a firm's ability to transform sales into profits. While return on investments measures the overall ability of a firm to generate shareholders' wealth.

2.1.27 IFRS 6 - Exploration & evaluation of mineral resources.

IFRS 6 permits a mining company to select an accounting policy of either immediately expensing or capitalizing exploration or evaluation (E&E) expenditures provided the policy is applied consistently between periods and to similar items and activities. The policy to expense or capitalize should reflect the extent to which the type of E&E expenditure can be associated with finding specific mineral resources. This means that Canadian mining entities will most likely be able to retain their existing Canadian GAAP accounting policy for eligible E&E expenditures.

IFRS 6 does not cover expenditures incurred before or after the E&E phase. Entities must therefore adopt policies for pre-exploration (typically incurred before obtaining the legal rights to

explore a specific area) and development activities (after the technical feasibility and Commercial viability of extracting a mineral resource is demonstrable) which are consistent with the IASB Framework. IFRS requires that decommissioning provisions be recognized when a present obligation from a past event exists and it is probable that future costs will be incurred to restore or rehabilitate a property or other long-lived asset.

The definition of a provision under IFRS is broader. IFRS requires a liability to be recorded even when only a constructive obligation exists which may have been created by promises or established patterns of carrying out similar activities. In addition, measurement of the liability under IFRS differs in several respects including use of a current discount rate specific to the liability and presentation of accretion of the discount as interest expense in the income statement. In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets an entity recognizes any obligations for removal and restoration that are incurred during a particular period as a consequence of having undertaken the exploration for and evaluation of mineral resources (Para – 11).

2.1.28 Measurements of Corporate Social Responsibility and Corporate Financial Performance

CSR and Corporate Financial Performance (CFP) are measured using different approaches as highlighted by various studies conducted in the areas. Some of the notable studies are briefly reviewed thus:

i. **Measurement of Corporate Social Responsibility (CSR)**

In measuring CSR several variables are used. In some studies subjective indicators such as survey, questionnaires are used. In others corporate annual reports to shareholders or content analyses of annual reports, expert evaluations, and regulatory compliance data are employed. Some of the studies in the area include (Onyekwelu,et al., 2014); (Uwuigbe, et al., 2011); (Ojo, 2012); (Osisioma, et al., 2015); (Musa, et al., 2013); (Nzewi, 2011); (Ogunkade, & Mafimisebi, 2011); (Ojo, 2012); (Olowokudejo & Aduloju, 2011)); In the above studies, one of the major challenges faced by them is the establishment of the relationship between CSR and performance of the organization which sometimes are basically due to insufficient data and in others the implied nature of the relationship.

ii. **CSP (Corporate Social Performance) Disclosure**

This makes use of content analysis of annual accounts and reports. This method provides the researcher with internal ratio or ordinal measurement of the construct. According to (Servaes, & Tamayo, 2012), content analysis is the art of measuring CSP, which involves textual evaluation of firm's social and environmental disclosure in the annual accounts and report to deduce the organization's underlying social performance. CSP Disclosure was used by researchers such as (Onyekwelu, & Uche, 2014); (Leyira,Uwaoma, & Olagunju, 2011); (Uwalomwa, & Ben-Caleb, 2012); (Uwuigbe, Uwuigbe, & Ajayi, 2011); (Mamman, 2011); (Minga, 2010); (Leyira, Uwaoma, & Olagunju , 2011); (Nzewi, et al, 2013), and (Makori, & Jagongo, 2013).

iii. Measurement of Corporate Financial Performance (CFP)

There is also no uniform consensus in the literature on how to measure corporate financial performance. This is due to contradictory argument as to what basis of measurement to adopt. While some authorities suggested using accounting measurement, others suggested market measurement and some mixed measurement. Some researchers like (Ogunkade,et al., 2011) and (Ojo, 2012) used accounting measurement. Some adopted market measurement like (Musa, et al., 2013) and (Uadiale, et al., 2011) adopted the combination of the two approaches.

Each of the approach used has some arguments for while also some arguments against linked up with it. For example, accounting measurement is criticized of only capturing historical aspects of the firm financial performance which according to (Osisioma, et al., 2015) and (Tijjani, 2011) could lead to managerial manipulation. Market measurement according to (Uwuigbe, Uwuigbe, & Ajayi, 2011) suggests investor's valuation of firms and is considered as a proper performance measure.

Accounting measures of financial performance consists of many yardsticks such as profitability, Activities and liquidity ratios. Profitability ratios are measurement of profit related to sales and profit related to investment (Khrawish, 2011). In another view, it has been argued that the continued viability of a corporation depends on its ability to earn an adequate return on its assets and capital and in which case ratios like Return on Assets (ROA), Return on Equity (ROE) and Capital Adequacy Ratios (CAR) are used. The reasons for using these variables for profitability is because those are less likely to be manipulated and is the most widely used measurement of a firm's profitability.

2.2 Theoretical Framework

There are several theoretical frameworks that could be used in addressing CSR issues. Some of these theories are briefly explained thus:

2.2.1 Shareholder Theory

The shareholder theory was originally proposed by Milton Friedman and it states that the sole responsibility of business is to increase profits. It is based on the premise that management are hired as the agent of the shareholders to run the company for their benefit, and therefore they are legally and morally obligated to serve their interests. The only qualification on the rule to make as much money as possible is "conformity to the basic rules of the society, both those embodied in law and those embodied in ethical custom."

The shareholder theory is now seen as the historic way of doing business with companies realizing that there are disadvantages to concentrating solely on the interests of shareholders. A focus on short term strategy and greater risk taking are just two of the inherent dangers involved. The role of shareholder theory can be seen in the demise of corporations such as Enron and World com where continuous pressure on managers to increase returns to shareholders led them to manipulate the company accounts.

Not all agree the interest of several stakeholders should be included. From the perspective of shareholder value, the owners are special stakeholders and their interest should be prioritized. The company's goal is to increase the value of the investments, that is to increase the wealth of capital owners. Shareholder value means that different groups of owners will in short term or

long term see its investment increase in value, no consideration taken to other aspects, for example social or environmental aspects. The managers' task is to increase the owners' investment. The origin of the shareholder perspective is that most companies start from an owner initiative which is associated with risk. The owner or entrepreneur invests his or her resources in an idea, but without a guaranteed return on investment. The return to other stakeholders, e.g. lenders, employees, suppliers, is often regulated in contracts. The owner can exert influence over the business, which to some degree compensate for the higher risk. The owners should therefore be prioritized over other stakeholder.

Since the 1980s the perspective of shareholder value has become established in the US and the UK, as a principle of corporate governance. Also, in Europe this principle has gained interest since the late 1990s (Lazonick & O' Sullivan, 2001). This is also true for Sweden where shareholders are prioritized over stakeholders. Principal-agent theory can be applied on the shareholder theory, where shareholders are the principals and managers are the agents.

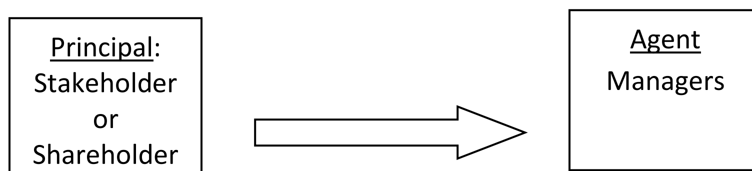

Figure1: Agents, who are managers, act on assignment of the principal, who are stakeholders or shareholders (Lazonick & O' Sullivan, 2001).

It can be questioned if managers always work in the interests of shareholders. Shareholders must rely on managers to perform various functions. Managers may prioritize themselves in the running of companies, which means that they do not create value for shareholders (Lazonick & O'Sullivan, 2000).

2.2.2 Stakeholders Theory

Stakeholder theory, states that a company owes a responsibility to a wider group of stakeholders, other than just shareholders. A stakeholder is defined as any person/group which can affect/be affected by the actions of a business. It includes employees, customers, suppliers, creditors and even the wider community and competitors.

Edward Freeman, the original proposer of the stakeholder theory, recognized it as an important element of Corporate Social Responsibility (CSR), a concept which recognizes the responsibilities of corporations in the world today, whether they be economic, legal, ethical or even philanthropic. Nowadays, some of the world's largest corporations claim to have CSR at the centre of their corporate strategy. Whilst there are many genuine cases of companies with a "conscience", many others exploit CSR as a good means to improve their image and reputation but ultimately fail to put their words into action

The stakeholder concept was first used in 1963 internal memorandum at the Stanford Research Institute. They defined stakeholders as "those groups without whose support the organization would cease to exist." The theory was later developed and championed by Freeman in the 1980s. Since then it has gained wide acceptance in business practice and in theorizing related to strategic management, corporate governance, business purpose and corporate social responsibility (Phillips, Freeman, & Wicks, 2003)

A stakeholder analysis is a form of analysis that aims to identify the stakeholders that are likely to be affected by the activities and outcomes of a project, and to assess how those stakeholders are likely to be impacted by an activity.

The stakeholder theory implies that the business interacts with a number of actors in its environment. There actors or group are called stakeholders and can be investors, political groups, customers, communities, employees, trade association, suppliers government etcetera. The communication or influence is bidirectional; i.e. the business influences the stakeholders, and the stakeholder influence the business (Donaldson & Preston, 1995),

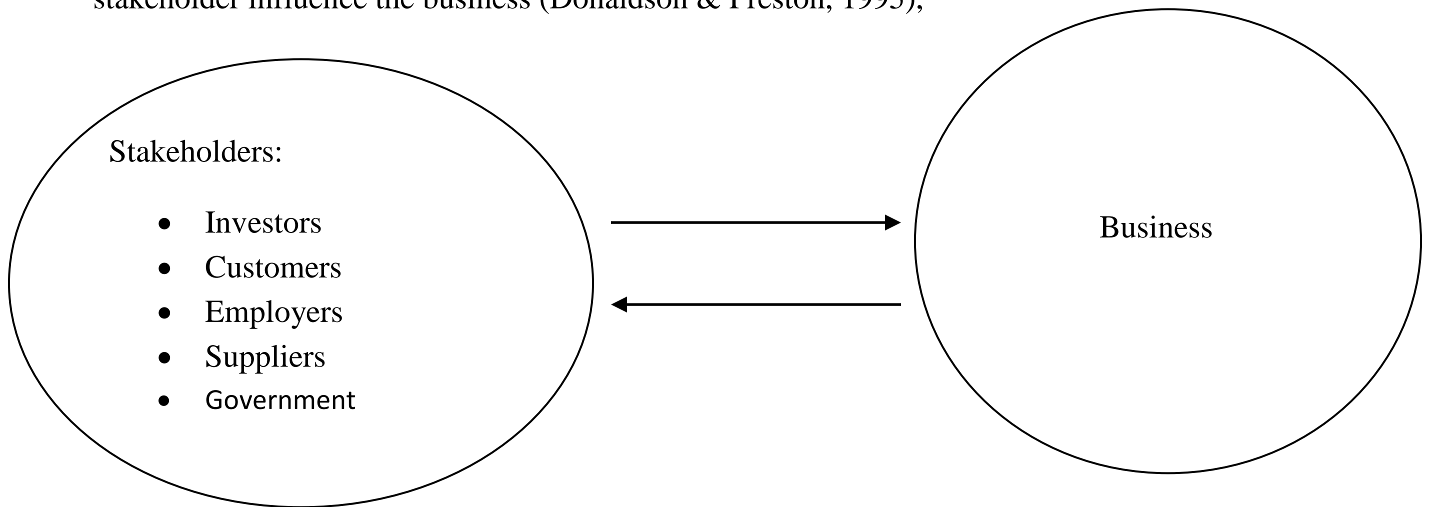

Figure 2: Direction of the influence of stakeholders and business (Freeman, & Reed, 2014)

Stake is defined as a potential benefit. Businesses take into consideration people or groups who have an interest in the business.

The stakeholder theory is not only about the firm's actions but also the decision making process. If the process in decision making is completed in a fair way, then outcomes will be accepted to a larger extent.

(Friedman, 1984), criticizes the stakeholders' theory for assuming that the interests of the various stakeholders can be, at best, compromised or balanced against each other. Friedman argues that this is a product of its emphasis on negotiation as the chief mode of dialogue for dealing with conflicts between stakeholders' interests. He recommends conversation instead and this leads to a patriotic conception of the cooperation as an alternative to that associated with stakeholder theory.

The theoretical framework appropriate for this study is the Stakeholders'theory of Corporate Social Responsibility. (Hosseyn, Kobra, & Ali, 2012) put that the stakeholder theory has emerged as an alternative to shareholder theory and argue that stakeholder theory explicitly represents a softening of (if not a fundamental challenge to) shareholder theory. The theory according to them recognizes the fact that most, if not all firms have a large and integrated set of stakeholders, to whom they have an obligation and responsibility).

2.3 Review of Empirical Studies

The field of tension between corporate social responsibility and financial performance is addressed in studying the relationship between the two concepts. Quite a number of studies have been carried out on corporate social responsibility accounting and corporate financial performance in Nigeria in recent times. Results ranging from a predicted negative impact of corporate social responsibility on financial performance to a positive relation from financial performance to corporate social performance and at time no significant relationship or differences.

The reasons for the contradiction are partly due to differences in research methodology, different ways of conceptualizing and operationalizing the variables of interest (Wissink, 2012).

Therefore, the empirical study results on the CSR and CFP have never been in agreement, some studies found negative, positive relationship, while others found no relation at all between the two component terms.

(Ojo, 2012) focused on the social responsibility of business organizations in Nigeria by examining the extent of involvement of organizations toward the concept of CSR with a view of recommending the strategic importance of being socially responsible to all stakeholders. The study employed the annual reports and accounts of randomly selected 40 limited liabilities companies out of 209 companies as at July 2007 by means of secondary data within the range of 2002-2006 and by the techniques of regression and Analysis of Variance (ANOVA) comparison is made of their turnover with the total investment in social responsibility. The result revealed that those selected companies have contributed infinitesimal amount of their gross earnings in social responsibility. Thus, the study recommends that the concerned organizations should increase their involvement in social responsibility as could lead to boosting their reputational capital

This study carried out by (Okafor, Hassan & Hassan, 2008) on environmental issues and corporate social responsibility with Nigeria as a case study, data were analyzed using ANOVA, the study reveals that industrial activities have adversely affect the environment creating serious discomfort to the inhabitants especially in the oil producing area of which there is urgent need to seriously address the problem.

(Ramaprakash, & Rajaram, 2017) examines an analysis of corporate social responsibility initiative of selected manufacturing companies in Karanataka. India's top 500 companies' reports were selected for this study. A total of 14 manufacturing companies from Karanataka figured in Dun and BradStreet's report were use for the study. Data were analyzed using Predictive

Analysis Software Statistics 18 and Cochran’s Q test. Findings show that there is significant difference in the orientation of corporate social responsibility initiative of the selected manufacturing companies in Karanataka. The study concluded that the new companies Act 2013 has redefined the way companies operate in India as against the previous practices where companies were focusing on increasing the value of shareholders.

(Olowokudejo, & Aduloju, 2011) making use of survey data analyzed with t test discovered that involvement in corporate social responsibility have positive relationship with organizational effectiveness and therefore, conclude that being socially responsible can help companies succeed, increase their profitability and overall performance.

(Ngwakwe, 2009) investigated the relationship between firms‟ social responsibility practices and their performance in Nigeria. The study focuses on the manufacturing industry and concluded that a positive relationship exists between the social responsibility practice of firms and their performance.

(Akano et al., 2013) examined the various types of social responsibility activities information that were disclosed by Nigerian commercial banks and the factors that determine the level of disclosure in their annual reports and accounts. The sample size consists of thirteen commercial banks that have been licensed to operate in Nigeria by Central Banks of Nigeria and are quoted on the Nigerian Stock Exchange as at 2009. Out of these, twelve banks are Nigerian banks and one is international. The data used for this study was collected through “content analysis” of annul reports of these banks and results of descriptive statistics indicate that the banks disclosed more information on human resources and community involvement and very low information on environmental, product quality and consumer relation. The outcome of multivariate analysis suggests that value of total assets have positive relationship and statistically significant with the

level of corporate social responsibility activities disclosure. Gross earnings and number of branches are positively and significantly related with Corporate Social Responsibility Disclosure (CSRD) level.

(Gunu, 2008) studied the influence of corporate social responsibility on the performance of banks by using Zenith bank as the case study. The study considered CSR as the independent variable while profit after tax (PAT), total assets (TA), dividend (DIV) and gross earnings (GRE) as the individual dependent variables. The study used secondary data from financial statements of Zenith Bank within the period of 2002-2006 and by means of simple regression analysis the study finds that corporate social responsibility is significantly related to PAT, DIV, TA and GRE. It was recommended that organizations should make efforts to be socially responsible in order to ensure harmony in the communities in which they are operating.

(Hosseyn, Kobra, & Ali, 2012) carried out a study on the assessment of social reporting on behalf of accepted corporations listed in Tehran stock Exchange in Iran. The study employed a descriptive and inferential statistical technique, conducting research on a number of companies listed in Tehran Stock Exchange 451 companies; only 356 companies traded on the Stock Exchange were open. Conclusions of research indicate that factors such as lack of appropriate accounting information system, lack of awareness of managers about the social cost and nonexistence of legal standards and high social reporting costs causes the avoidance of social reporting on behalf of Iranian corporations.

(Azubike, 2008) study was on corporate social responsibility accounting, reporting and auditing in Nigeria, to ascertain the relationship between social audit morals/theories and cooperate social responsibility reporting as well as the impact of social responsibility performances on stakeholders. The research design adopted for the study was casual method of research design,

the population was accounting firms in Aba, Ikeja (Lagos) and Kaduna was used for the study. Branches of Fidelity Bank PLC and FUSL Stockbrokers Ltd in the three cities were also used for the study. Data were analyzed using regression analysis, analysis of variances (ANOVA) and F-ratio for the testing of the hypotheses. The findings revealed that emphasis on social audit models would significantly influence corporate social responsibility reporting in Nigeria. The study shows that there is a positive relationship between company turnover and corporate social responsibility performances.

(Akindele, 2011) carried out a study on corporate social responsibility as an organizational tool for survival in Nigeria by examining four major banks in Osogbo, Osun State in order to identify the extent of participation of the banking industry in CSR using primary source of data collection procedure through the administration of questionnaire. Frequency distribution was used to analyze the data and the findings of the study revealed that about 90% of the participants indicated that the extent of participation of the banks in social responsibility activities is high.

A critical assessment of environmental issues and corporate social responsibility in Nigeria, the Niger Delta region as case study was undertaken by (Egbe, & Paki, 2011). The researchers made use of survey research method which involves primary source of data collection, data analyzed with regression and came up with the findings that oil companies activities in the region have had destructive effect on the environment and conclude that oil companies operating in the region has done little or nothing in minimizing the difficulties of the host communities.

In another study by (Oba, 2009), the findings reveal that the explanatory variables (that is. community social responsibility, human resource management, charitable contribution and firm size as explanatory variables) are found to have significant aggregate impact on market value

which was represented by Tobin's equity Q (that is Total debt plus Equity at market value all over the total assets) of quoted conglomerates in Nigeria.

(Uadiale, et al., 2011) examined the impact of CSR activities on financial performance in developing economies. The study considered employee relations (ER), company performance (CP) and environmental management system (EMS) to be the independent variables, while the individual dependent variables were measured with Return on Equity (ROE) and Return on Assets (ROA) in Nigerian companies. The study used a sample of forty audited financial statements of quoted companies in Nigeria. The results showed that CSR has a positive and significant relationship with the financial performance measures.

(Adebayo *et al.,* 2012) explored the meaning and practice of corporate social responsibility in relation to its impact on profitability (return on assets and return on equity) by using regression and product moment correlation. The result of the study revealed that indigenous firms perceived and practice corporate social responsibility as corporate philanthropy. It was also discovered that the performance and reporting of social responsibility has a positive correlation with the profitability, that is, return on assets of the banks. It was also revealed that the performance of corporate social responsibility reporting has no correlation with return on equity. The study concluded that performance and reporting of social responsibility goes a long way in boosting the reputation, sales and profit level of the firms.

(Bolanle *et al.,* 2012) examined corporate social responsibility and profitability of Nigerian banks based on causal relationship by using First Bank of Nigeria Plc as the case study for the period of ten years (2001-2010). CSR was considered as the independent variable while PAT was the dependent variable. The data collected for the study were analyzed by using correlation and regression analysis. The outcome of the research showed a significant positive impact of

CSR on PAT. The study recommended the need for banks to demonstrate high level of commitment to corporate social responsibility in order to enhance their profitability in the long run.

(Adeboye & Olawale, 2012) examined corporate social responsibility (CSR) and business ethics as effective tools for business performance in Nigerian banks. The study also attempt to ascertain whether social responsibility of banks and their ethical practices lead to the achievement of organizational goals. The research was conducted on a set of purposive sample of 100 employees randomly drawn from two Nigerian banks i.e. First Bank plc and Guaranty Trust Bank plc. The two hypotheses formulated were tested using t-statistic at .05 alpha level. The study showed that there is no significant difference between employees of First Bank and Guaranty Trust Bank on corporate social responsibility and business ethics as regard business performance. However, ethical standard of doing business and financial performance differ significantly.

Likewise, (Leyira, et. al., 2011) looked at corporate social responsibility in Nigeria, a western mimicry of indigenous practices. They explored four key sectors of the Nigerian economy and came up with the conclusion that firms are socially constructed and their behaviour must reflect the society in which they are embedded, thus they must be socially responsible to the environment in which they operate.

(Uwalomwa, 2011) investigated the association between firms characteristics and the level of corporate social disclosures in the Nigerian financial sector by using the judgmental sampling technique, a total of 31 listed firms have been selected for the study based on their level of market capitalization and direct financing of most firms from the manufacturing industry, with the helped of content analysis method of eliciting data, a scoring scheme was used for measuring the extent of corporate social disclosure in the corporate annual reports for the period of 2005-

2009 which was later analyzed. The study observed that a positive association exists between a firm's characteristics and the level of corporate social disclosure. In addition, the study observed that corporate social disclosures by listed firms are still in its infancy. The study recommended that the standard setting bodies should put in place a corporate social environmental reporting framework in order to improve the level of corporate social disclosures among the listed firms in the financial industry.

(Uwuigbe, et. al., 2011) studied was on Corporate Social Responsibility Disclosures by Environmentally Visible Corporations. A total of 30 selected listed firms in the Nigerian stock exchange market were used. The study utilized a disclosure index to measure the extent of corporate social responsibility disclosure made by companies in their corporate annual reports for the period 2006-2010. The simple regression analysis was used to test the research propositions in this study. The study found that there is a significant association between the corporate environmental visibility and the level of corporate social responsibility disclosures among listed firms in Nigeria.

In a related study, (Uwalomwa, et al., 2012) examines corporate social responsibility disclosures in Nigeria in the listed financial and non financial firms. Annual reports for the period 2008 was utilized as the main source of data collection for the sampled 41 listed firms, the multiple regression analysis was employed as a statistical technique for analyzing the data collected. Findings were that firms' corporate financial performance and the size of audit firm have a significant positive relationship with the level of corporate social responsibility disclosures. Also, that a significant negative relationship existed between firms' financial leverage and the level of corporate social responsibility disclosures.

(Brine, & Hackett, 2006) observed the relationship between financial performance and corporate social responsibility across the total population of the top 300 Australian listed companies for the year 2005 financial year out of which 277 companies were drafted into the sample after dropping companies that did not meet the requirement. The study considered corporate social responsibility as the independent variable while financial performance as the dependent variable and data were analyzed by regression. The measurement was based on whether companies made separate sustainability disclosure beyond what is required of them by the regulatory frame work and the measurement of CSR was a dummy variable. The measurement used was ROA, ROE and ROS. The preliminary results revealed no statistical significant relationship exists between the adoption of corporate social responsibility and a firm's financial performance.

(Saleh *et* al., 2007) found positive relationship between CSR actions disclosure and company performance in the short run. In a study conducted by (Ajagbe, Adewoye & Ajetomobi, 2007), in which the researchers evaluate financial performance of community banks by using a sample size of 8 community Banks, it is found that the response of the questionnaires and interviews that capital adequacy, liquidity reserve and cash reserve ratios were the significant factors in determining the performance of community Banks.

(Fiori, & Izzo, 2007) investigate the impact of voluntary disclosure of CSR on stock prices of Italian listed companies over the period of 2002-2007.data were analyzed by ANOVA, the results show that the disclosure of CSR policies (especially those referred to employees) leads to higher stock prices because of the prevalence of a good perception of the market.

(Babalola, 2012) predicts three possible relations between CSR and company financial profitability. The first is neutral impact as all companies, CSR is complying as well as non- CSR complying, have the same rate of expected return and face the same cost of equity capital. This

reasoning is in line with risk-return paradigm where only risk factors are priced in the market. The second is positive impact as if the risk associated to CSR compliance is correctly priced by the market, the same risk-return paradigm would imply a negative relation between CSR performance and financial performance. Companies which actively account for the CSR risk factor are seen as less risky investments relative to the companies that ignore it. The third view is negative impact. The compliance with CSR principles is not efficiently priced by market participants. A positive (negative) relation follows depending on the sign of the inefficiency.

(Servaes, & Tamayo, 2012) investigated on the impact of corporate social responsibility on firm value based on the role of customer awareness. They found that corporate social responsibility (CSR) and firm value are positively related for firms with high customer awareness, as surrogated by advertising expenditures. For firms with low customer awareness, the relation is either negative or insignificant. In addition, they found that the effect of awareness on the value-CSR relation is reversed for firms with a poor prior reputation as corporate citizens. This evidence is consistent with the view that CSR activities can add value to the firm but only under certain conditions.

(Purnomo, & Widianingsih, 2012) conducted a research on the Influence of environmental performance on financial performance (with corporate social responsibility (CSR) disclosure as moderating variable) evidence from Listed Companies in Indonesia. They researched on the influence of environmental performance and Corporate Social Responsibility (CSR) Disclosure on financial performance has inconclusive results. This condition drives researcher to use CSR Disclosure as a moderating variable. The number of samples used in this research was ten firms in mining, chemical, pharmaceutical, cement, pulp and paper sectors which are listed on the Indonesia Stock Exchange (IDX) during 2006-2010 with 50 observations. Data are taken from

annual report 2006-2010 of the companies listed on IDX by using multiple regression and moderated regression analysis. The CFP is measured using net profit margin, while environmental performance is measured using PROPER rating and CSR Disclosure is measured with CSR Index. The results indicate that environment performance has a positive effect on financial performance and CSR disclosure is not able to strengthen the influence of environmental performance on financial performance.

(Setiawan, & Janet, 2012) examined Corporate Social Responsibility, Financial Performance, and Market Performance of consumer goods companies listed on the Indonesian Stock Exchange during the period 2007-2010. The analysis is completed by regression from interviewing consumers, investors, and stock analysts from financial institution in Surabaya, Indonesia. The results of the study show that corporate social responsibility leads to increase in financial performance, but have no significant effect to market performance. Corporate social responsibility will build consumers‟ trust about the products and will encourage them to be loyal consumers. However, investor and stock analyst state that corporate social responsibility is a long term social investment that does not have a significant effect to the investment decision. In addition, most of the companies in the Indonesian consumer goods industry have a good financial performance, so that the stock prices remain constant.

(Lungu, Chiraţa, & Dascalu, 2011) examined the relationship between reporting companies‟ characteristics and the importance assigned to social and environmental disclosure, by using statistical correlations based on content analysis of sustainability reports of the largest 50 companies classified by Global Fortune in 2009 data was analyzed with regression in order to address the research hypotheses. The results show that size characteristics measured by assets and revenues cannot be correlated to the extent of CSR reports published by companies, but there

is a significant negative correlation between change in revenues and return on equity and social and environmental disclosure for the sampled companies.

(Keffas, & Olulu-Briggs, 2011) examined the financial performance of CSR and Non-CSR banks using financial ratios and frontier efficiency analysis. They got accounting information for banks in Japan, US and UK quoted on the FTSE4 Good global index from Bank scope database. They include thirty-eight (38) financial and economic ratios based on variables such as Asset quality, Capital, Operations and Liquidity that captured major scope of financial performance. In addition, they used a non-parametric linear programming technique known as Data Envelopment Analysis to create a piecewise linear frontier that helps to determine the efficiency levels for both a common and separate frontier analysis. First, they find a positive relationship between corporate social responsibility and financial performance. Banks that incorporate CSR have better asset quality; capital adequacy, and are more efficient in managing their asset portfolios and capital. Second, they also find that geographical location regulates the relationship between CSR and FP during economic contraction, such that the relationship differs across the businesses and transactional banking models. The findings are to some extent consistent with prior analysis on the CSR-FP link

(Wissink, 2012) examined the relationship between corporate social performance and corporate financial performance. On the whole, the combined results suggested that the relationship between corporate social responsibility and corporate financial performance is at least neutral and perhaps slightly positive. However, the different approaches make it difficult to come to a final answer. But the result was put to the test once more, but only after trying to come to a more universal conceptualization and operationalisation of the variables, based on the inclusion of Dow Jones Sustainability Index and Corporate financial performance was operationalised by

means of three different accounting variables: ROA, ROE and ROS. The world's 2,500 largest companies were assessed on general and industry specific sustainability criteria by means of self-report questionnaires, media- and stakeholder analysis, and data from secondary sources (company websites, annual reports, etc.). Instrumental stakeholder theory delineates a positive relation from CSP to CFP based on relations with stakeholders; CSR has a positive impact on a corporation's relationship with stakeholders, these improved relationships ultimately result in financial performance. Two hypotheses were tested by means of multivariate statistical tests. Based on the results of these tests, the following conclusions were drawn. Size and institutional context are determinants of corporate social performance (CSP); larger firms have a greater chance of being included in the DJSI, as do firms originating from Europe compared to those from North America. ROA and ROS are positively related to subsequent social perform slack resources theory. CSP is positively related to subsequent financial performance, providing evidence of the instrumental stakeholder theory. Taken together, the results provide evidence of a virtuous cycle of CSR. Better CFP results in better CSP and, in turn, better CSP results in better financial performance.

(Anescu, 2009) in his study: Do investors perceive CSR as a risk factor? In identifying a systematic variation in a significantly long panel of US stock returns attributable to variation in CSR performance. The researcher implemented the Fama-Macbeth (1973) month by month cross-sectional regressions. The corporate responsibility data used, provided by KLD Research Analytics, covers six CSR dimensions updated annually between 1991 and 2007 for 650 US most visible firms belonging to either S&P500 or Domini Social Index 400. Their risk-factor analysis indicates a change in investors' perceptions of CSR performance, with a positive and statistically significant effect of CSR performance on the expected stock returns during July

1992- June 2004 and a negative effect during July 2004- June 2008. The specific component of the CSR variable that mainly drives the results is the environmental component. They argue that performance, when firm size is appropriately controlled for, providing evidence of the observed shift in the effect of CSR performance on stock returns is attributable to increasing publicly available CSR information

According to study conducted by (Vitezic, 2011), correlation exists between social responsibility and efficient performance of Croatian Enterprises. The initial point in the empirical section was dynamic analysis of business activities of Croatian entrepreneurs in the period between 1993 and 2010, on the basis of which a sample was chosen, data analyzed was by regression analysis which submit transparent reports on social responsibility. The main result obtained by univariate analysis confirms that socially more responsible enterprises have better financial results, i.e. they are more efficient, and also have better reputation. The conclusion is derived that there is a causal relationship between efficiency and social responsibility, i.e. higher efficiency level enables higher allocation of resources with the purpose of socially more responsible corporate performance and vice versa; socially responsible corporate performance have an impact on reputation and its improved efficiency.

According to (Yang, Lin, & Chang, 2010), previous empirical studies have indicated an unclear relationship between CSR and financial performance, and literature has pointed out that innovation has a great impact upon CSP and CFP. Therefore, size and R&D (research and development) are adopted in this study as control variables to investigate the relationship between CSP (Independent Variable), CFP (Dependent Variable) and CSP (Dependent Variable), CFP (Independent Variable) respectively. In this study, companies listed in the TSEC

Taiwan 50 Index and TSEC Taiwan Mid-Cap 100 Index was included as samples to analyze the linkage between CSP & CFP, and by using regression analysis.

The results pointed out that previous CSP has positive impact on the ROA for the next period; however, previous CFP has nothing to do with the latter CSP. In considering R&D and size, the previous CSP has a positive correlation with the latter ROA. In addition, CSP has a negative correlation with ROE in the financial industry, and CSP has nothing to do with CFP in the electronic industry.

(Onyekwelu, et. al., 2014) studies corporate social Accounting and the Enhancement of Information Disclosure among selected quoted firms in Nigeria. Questionnaires were used to collect data that were analyzed and tested using One-Way ANOVA and Chi-square statistical tools. The study findings were that corporate accounting reports as an additional but distinct report in the annual statements significantly enhance information disclosure to stakeholders. The study also found out that most companies in Nigeria presently disclose social accounting information in their annual reports via the Directors' Report, Chairman's Statement and Notes to the Accounts while these report are shown with very short/scanty qualitative information.

(Ali, Rehman, Yilmaz, Nazir & Ali, 2010) analyzed the behaviour of Pakistan consumers and find that the corporate social performance of producers does not motivate consumers to buy a product from cellular industry in Pakistan. Therefore, there is no significant relationship between awareness of CSR activities, consumer satisfaction, purchase intention, and consumer retention in Pakistan.

(Ioannou, & Serafeim, 2010) investigate the impact of CSR strategies on security analysts" in selected firms, data was analyzed using ANOVA, and find that CSR strategies can affect value creation in public equity markets through analyst recommendations.

In another study, (El Ghoul, Guedhami, Kwok, & Mishra, 2012) examine the effect of CSR on the cost of equity capital for a large sample of U.S. firms. Using several approaches to estimate firms‟ ex ante cost of equity, they find that firms with better CSR scores exhibit cheaper equity financing.

In particular, their findings suggested that investment in improving responsible employee relations, environmental policies, and product strategies contributes substantially in reducing firms "cost of equity. The results also show that participation in two "sin" industries, namely, tobacco and nuclear power, increases firms'' cost of equity, which supported the arguments in the literature that firms with socially responsible practices have higher valuation and lower risk.

Another study was carried out by (Afonso *et al.,* 2012) to examine the relationship between social performance and economic performance of top Portuguese Companies, by using Spearman coefficient, to study the hypothesis of relation between the CSR Index and economic performance variables. Green Book of Commission of the European Community was used in a group of nineteen Portuguese top companies, quoted in the Euronext Lisbon stock exchange, belonging to PSI 20 Index, considering a review period of five years, from 2005 to 2009. To measure the economic and financial performance, three accounting based measures were used: ROE, ROA and ROS. A clusters analysis was applied to group companies by their social performance and to compare and correlate their economic performance, defined clusters was named in accordance with the social performance of the companies that composed each one (Cluster 1-CSR Medium, Cluster 2- CSR High, Cluster 3- CSR Low).

The companies belonging to group of Medium CSR were those which had better economic and financial performance in ROA and ROS but worst only in ROE and Low CSR companies had the better result of all in ROE that may indicate a focus in results that are important to shareholders,

under valuating CSR. Results indicate that companies that had a better social performance are not the ones who had a better economic performance, and suggest that the middle path companies that had a CSR medium and better economic and financial performance in two of the three economic and financial measures of performance might provide a good relation CSR-Economic performance, as a basis to a sustainable development.

The positive and significant correlations found, in the group of medium CSR companies, between CSR Index and ROA suggests that social performance may have positive influence on sales, perhaps because consumers are more predisposed to buy products and services from CSR companies. The total negative correlation between CSR Index and ROE, in the Low CSR companies, that had the better result in ROE and the worst in ROA, it may also indicate that a focus in results to shareholders, neglecting social performance, may have a negative impact in other dimensions, like sales.

(Osisioma, et.al., 2015) in their study examined the relationship between corporate social responsibility and performance of selected firms in Nigeria. The specific objective of the study was to determine if there was any significant relationship between social responsibility cost and corporate profitability in the selected firms. The study was based on the stakeholder theory of social responsibility which emphasized the need for a corporate organization to satisfy the requirements of various interest groups. Exploratory research design was employed with the use of time series data. The study utilized time series data that involve social responsibility expenditure and profit after tax of the selected firms which covered a period of five years (2007 – 2011). Product moment correlation was used to test the hypothesis and to determine whether there is any significant relationship between social responsibility cost and corporate profitability in the selected firms. Findings revealed a significant relationship between social responsibility

cost and corporate profitability. Therefore, the study concluded that social responsibility was vital to organizational performance. It is recommended that firms in Nigeria should endeavour to increase their commitment to social responsibility by setting aside substantial amount of their income to social responsibility programmes.

In a much related study, (Ijeoma, & Oghoghomeh, 2014) determine the contribution of corporate social responsibility on organizational performance. The purpose of this study was to determine the contribution of corporate social responsibility on company's profit after tax and to ascertain if there exists significant contribution of corporate social responsibility on company's profit after tax. The source of data for this study was secondary data obtained from Central Bank of Nigeria Statistical Bulletin 2010 and annual reports 2008-2012 of three selected public limited companies operating in Nigeria. The statistical tool employed was the regression analysis and the line graph analysis. From the result of the analysis it was found that corporate social responsibility was able to explain and contribute significantly to company's performance more in OANDO Group Nig. Plc since it was able to explain about 96.1% of the behavior of profit after tax in OANDO Group Nig. Plc, 21.4 % in Guiness Nig. Plc and 9.5% in Total Nig. Plc. This result implies that OANDO Group Nig. Plc was observed to spend more in terms of corporate social responsibility amongst the observed company's and in turn corporate social responsibility contributing to its performance. Also, it was found that Guniess Nig. Plc recorded the largest profit after tax over the observed period followed by OANDO Group Nig. Plc. It can be generalized that sustainability reports does have an association with company performance. Social performance disclosure has an association with company's performance as was found by the result of OANDO Group Nig. Plc. For companies, improving sustainability performance is important and it is equally important as improving company's financial performance.

Sustainability means the development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It means that, in running the business, a company need to concern to the needs of future generations. Though reporting on its environmental performance may expose a company to criticisms and also have minimal effect in the short run. It is advisable that the company continues to disclose its environmental performance because in the long run it would help in achieving sustainability.

(Kamatra & Kartikaningdya, 2015). This study was conducted to examine the effect of CSR on financial performance as measured by profitability ratios consisting of return on assets (ROA), return on equity (ROE), net profit margin (NPM) and earnings per share (EPS). The population used in this study was the company mining and basic industry chemicals listed in Indonesia stock exchange during the period 2009-2012, while the sample used in this study using purposive sampling technique. Sample as many as 24 companies in Indonesia. This study used a quantitative approach and the method of multiple linear regression analysis of the data, with the first through the classical assumption. The results of this study indicate that simultaneous CSR and control variables consisting of leverage (DER) and size effect on ROA, ROE, NPM and EPS. CSR only has partially significant effect on ROA and NPM and no significant effect on ROE and EPS.

In another very related study, (Nzewi, et al., 2013) appraised corporate social responsibility accounting in Non-bank quoted companies in Nigeria to determine the extent of their corporate social reporting and the similarities or otherwise of the corporate social responsibility accounting among the individual companies. Stratified sampling technique was used in selecting the ten industrial groups used for the study. Content analysis of the annual report and accounts was carried out. Cochran Q test for dichotomous nominal scale data was used to test whether there is

significant difference in the social responsibility reporting of the individual companies. Findings show that the companies to a large extent adopted integrated reporting and a combination of descriptive and cost outlay approach in communicating their social reports. Findings also reveal that none of the companies disclosed its means of assessing its social contribution and that the proportion of pages in their annual reports to the shareholders devoted to social reports ranged between 0.3% to 7.5%. Furthermore, it was found that social responsibility expenditure as a proportion to turnover and profit before tax were on the average 0.05% and 0.65% respective. Finally, it was established that there was significant difference in the accounting and reporting of social activities among the companies.

(Ntiamoah, Egyiri, & Kwamega, 2014) study addressed the following questions that are becoming increasingly important to managers in the banking industry of Ghana: is there a relationship between corporate social responsibility (CSR) awareness, firm commitment and organizational performance? If yes, how is the relationship between these three variables? The study adopted both qualitative (case study) and quantitative methods respectively. Banks were selected to gather data, which was acquired from answers obtained from our administered questionnaire and also through interviews. The population of the survey constituted the management and non-management staff and customers of UT Bank Ghana and Barclays Bank Ghana Ltd in Ghana. Hypotheses of the study will be analyzed using correlation and regression. The results of the study show that there are high positive correlations between the constructs of corporate social responsibility (CSR) awareness, firm commitment and organizational performance.

(Lars, 2012) research investigated CSR publicly traded multi-national enterprises (MNE's) on the Stockholm Stock Exchange in Sweden. Data were analyzed by Frequencies and correlation,

and the findings show that CSR management and the timing and design of CSR communication), and Firm Performance displayed significant positive relationships with our CSR measure (comparative Index). We triangulated firm performance (primary and secondary data) and found it to be significant. We further found predictive support that enables practitioners and academics to assess how their firm could structure (how to specifically 'set-up') their external- and internal orientation to increase their level of CSR

(Shujie, Jianling, & Lin, 2011) study was based on a content analysis approach, to identify the determinants of corporate social responsibility disclosure (CSRD) in China using the annual reports of over 800 listed firms on the Shanghai Stock Exchange in 2008 and 2009. Data were analyzed multivariate regression model It is found that CSRD is positively associated with firm size, media exposure, share ownership concentration and institutional shareholding. In addition, companies in environmentally sensitive industries tend to disclose more environmental responsibility information than others

In another related study (Jizi, Salama, Dixon, & Stratling, 2014) examine the impact of corporate governance, with particular reference to the role of board of directors, on the quality of CSR disclosure in US listed banks' annual reports after the US sub-prime mortgage crisis. Using a sample of large US commercial banks for the period 2009-2011 and controlling for audit committee characteristics, board meeting frequency, and banks' profitability, size and risk, we find evidence that board independence and board size, the two board characteristics usually associated with the protection of shareholder interests, are positively related to CSR disclosure. This indicates that, with regard to CSR disclosure, more independent boards of directors and larger boards are the internal corporate governance mechanisms which promote both

shareholders' and other stakeholders' interests. Data was analyzed by Spearman correlations matrix, VIF-tests, and regressions. Contrary to our expectations, CEO duality also impacts positively on CSR disclosure. From an agency-theoretical viewpoint, this suggests that powerful CEOs may promote transparency about banks' CSR activities for their private benefits. While this could indicate that powerful CEOs are under particular pressure to appease stakeholders'

(Marcia, Otgontsetseg, & Hassan, 2014) study analyzes corporate social responsibility (CSR) for banks and its impact on bank financial performance in a context of the recent financial crisis. The largest banks consistently have higher CSR strengths and CSR concerns during the sample period. However, this group sees a steep increase in CSR strengths and a steep drop in CSR concerns after 2009. Data was analyzed using OLS regressions. Banks that are profitable, have higher capital ratios, charge lower fees to deposits, and with more female and minority directors have significantly higher CSR strengths scores. For banks with low involvement in low income communities, it is the smallest banks that show many significant relations between corporate social responsibility and bank characteristics. Yet, for banks with high involvement in low income communities, it is the largest banks that show many significant relations. Finally, we find that the largest banks appear to be rewarded for their social responsibility, as both size adjusted ROA and ROE are positively and significantly related to CSR scores.

In another related study (Oleg, & Nino, 2017) examine corporate governance and corporate social responsibility in European insurance industry and test its effects on financial performance. Using a sample of European insurance companies releasing corporate governance and social responsibility information available in Bloomberg Environmental, Social, and Governance disclosure, we provide evidence of better financial performance of insurers with unbiased and objective boards, increased number of board members (indicating that investors trust

independent directors as protectors of shareholder value), lower employee turnover and higher community spending. Compliance with UN Global Compact signatory also contributes to better market performance. As a result, we show that insurance companies can be socially responsible and financially successful at the same time.

(Halina, Małgorzata, & Joanna, 2016) examine corporate social responsibility accounting in Poland. The paper presents an overview of Polish literature on CSR and accounting themes. Our findings result from quantitative (2000-2015) and longitudinal qualitative (1984-2016) analyses of Polish publications. An analysis of the content of BazEkon and EBSCO databases, as well as the search performed using the Google Scholar have demonstrated a growing interest of Polish academia in CSR issues since 2001. However, a significant increase in the number of publications on the topic has been observed only since 2005. In order to present the key debates in the area of CSR disclosures, we have analyzed 67 papers. We discovered that most papers published by Polish researchers concentrated on the content of CSR reports and on the integrated reporting concept. The most frequently used methods were literature review and content analysis. Only a few researchers applied statistical tools or conducted interviews or surveys. The interests of Polish researchers in the area of CSR reporting focus on factors influencing CSR reporting and the quality of CSR reports. Because CSR and reporting on CSR are in the early stages of development in Poland, it would be valuable to repeat the performed literature analysis in a few years' time. It can be expected that the CSR concept will gain in popularity and more research sources (like CSR or integrated reports) will be available to Polish academics, which will be reflected in the topics of their studies and the methods used

Eling, and Marek, (2013) examine insurance industry in the UK and Germany and address compensation, monitoring, and ownership structure as determining corporate governance factors of risk taking behavior. The main result of the research is to confirm the existence of significant influence of all mentioned elements on risk taking. All three are found to be negatively correlated with firm risk, meaning that companies with more independent board members, more frequent board meetings, and higher number of block holders and higher levels of compensation engage in less risk taking. Scholtens (2009, 2011) provide a cross sectional analysis framework in order to study 32 banks and 153 insurance companies across Europe, North America and Asia Pacific regions with respect to CSR. European and Japanese insurance companies in these studies outperform North American counterparts in most of the CSR aspects researched. However, different CSR policies are not implemented into business activities at a same degree, namely, when it comes to donations/ sponsoring or voluntary work, insurers perform significantly better than in environmental aspects (Scholtens, 2011). Engagement in CSR activities is positively correlated with size of insurance companies, which might be explained by increased attention from stakeholders related to company growth (Waddock and Graves, 1997). Otherwise, on an industry basis banks show notably superior performance in every single CSR aspect observed both in Europe and North America. Clearly, there is a considerable room for further research with respect to corporate social responsibility. Diversity of the empirical studies presented above demonstrates complexity of the concept and motivates further research in this regard in order to supplement gaps in existing literature by identifying and measuring impact of various features of corporate governance and social responsibility on financial performance in European insurance companies simultaneously.

In a related study by (Saeid, Zabihollah, & Zahra, 2015) on Corporate Social Responsibility and Its Relevance to Accounting corporate social responsibility . We examine the development of CSR by both reviewing the evolution of the conceptual framework and models of CSR and discussing social responsibility accounting and auditing. We conclude that both business and academic communities worldwide should pay closer attention to CSR and its components of economic, social, and environmental performance. Business organizations worldwide are just starting to recognize the importance of quality as it relates to CSR and the link between profitability and social behavior. Justifications for CSR are fulfilling moral obligations, maintaining a good reputation, ensuring sustainability and licensing to operate, and creating shared value for all corporate stakeholders.

(Ohaka, & Ogaluzor, 2018) examine Corporate Social Responsibility Accounting and the Effect on Profitability of Oil and Gas Companies in Nigeria. The study used a cross sectional survey design to carry out the research. The population of the study was all the oil and gas companies in Nigeria. Data collected were analyzed through the Simple Regression Analysis and Partial Correlation. Results of the study revealed that: Donation significantly affects Return on Equity and Donation significantly affects Net Profit of the oil and gas companies in Nigeria, Hence, from the findings of this work the research concludes that there is a strong positive relationship between CSRA and profitability. And that; Donation significantly affects the Return on Assets of the oil and gas companies in Nigeria; Donation significantly affects the return on equity of the oil and gas companies in Nigeria; Donation significantly affects the Net Profit of the oil and gas companies in Nigeria. Therefore all the null hypotheses have been rejected and the alternative hypotheses accepted. Based on the findings of the study, the following

recommendations were made; Companies should carry out operational impact evaluation. This is in order to evaluate the effect of their operation on the community, the environment and the people as this will be able to audit and control their CSR practices. It will help them check unwholesome practices; Companies should report regularly to its stakeholders their corporate social responsibility practices. The companies are too secretive and do not allow the people have insight of most of their activities. Forums should be created where these are reported to the people; Government should consider allowable all arm's length expenditure on corporate social responsibility for tax purposes to enable the companies become completely socially responsible.

Table 3: Summary of Empirical Review

S/N	AUTHOR NAME (S) AND YEAR	SCOPE OF STUDY	INDEPENDENT VARIABLE(S)	DEPENDENT VARIABLE	OUTCOMES OR RESULTS	SECTOR	COUNTRY	NATURE OF DATA/ STATISTICAL METHOD
1	Guobadia (2000)	2000	Preformance	social responsibility practices	positive relationship	manufacturing industry	Nigeria	t test analysis
2	Brine & Hackett (2006)	2005	CRS	ROA, ROE & SOS	Significant relationship	Selected companies	Australian	Regression
3	Fiori, and Izzo, (2007)	2002-2007	Stock price	disclosure of CSR	positive significant	stock prices of Italian listed companies	Italy	ANOVA
4	Ajagbe, Adewoye, & Ajetomobi (2007)	2000-2006	CSR	Liquidity, Cash & Capital	Positive impact on the variables	Community Banks	Nigeria	multiple linear regression analysis
5	Azubike, 2008	2007	Turnover,accounting standard	CSR reporting & disclosures		Quoted Companies, Accounting Firms & Auditor	Nigeria	Primary & Secondary Data, ANOVA
6	Gunu, (2008)	2002-2006	profit after tax (PAT), total assets (TA), dividend	CSR	CRS is significantly related	Zenith bank	Nigeria	simple regression analysis
7	Okafor, Hassan & Hassan, 2008)	2007	environmental issues	CSR	industrial activities adversely affect the environment	Sellected firms	Nigeria	Analysis of ANOVA
8	Anescu, (2009)	1991-2007	CSR	stock returns	positive significant	650 US most visible firms	US	cross-sectional regressions
9	Oba, (2009)		HRM, charitable contribution	CSR	significant aggregate impact	conglomerates in Nigeria	Nigeria	Tobin's equity Q
10	Ngwakwe, (2009)	2009	Preformance	social responsibility practices	positive relationship	manufacturing industry	Nigeria	F test analysis
11	Ali, Rehman, Yilmaz, Nazir and Ali, (2010)	2010	CRS	consumer satisfaction	no significant relationship	Consumers cellular industry	Pakistan	regression analysis

Source: Previous Studies

Summary of Empirical Review

	AUTHOR NAME (S) AND YEAR	SCOPE OF STUDY	INDEPENDENT VARIABLE(S)	DEPENDENT VARIABLE	OUTCOMES OR RESULTS	SECTOR	COUNTRY	NATURE OF DATA/ STATISTICAL METHOD
12	Minga (2010)	2010	Preformance	social responsibility practices	positive relationship	manufacturing industry	Nigeria	F test analysis
13	Yang, Lin, & Chang, 2010),	2010	CFP, ROA	CSR	positive correlation	companies listed in the TSEC Taiwan	Taiwan	regression analysis
14	Uadiale & Fagbemi (2011)	2007	CP, EMS, and ER	ROA & ROE	Positive and significant relationship	Quoted Conglomerate companies	Nigeria	Cross Sectional Data
15	Vitezic, 2011	1993-2010	CRS	Financial performance	significant relationship	Croatian Enterprises	Croatian	regression analysis
16	Keffas, and Olulu-Briggs, (2011)	2011	financial ratios	CRS	positive relationship	Banks in Japan, US and UK quoted	Japan, US and UK	Data Envelopment Analysis
17	Uwalomwa, (2011)	2006-2010	Environmentally Visible	CRS	significant in environmental	firms in the Nigerian stock exchange	Nigeria	simple regression analysis
18	Ejumudo, Edo, & Sagay, 2011	2009	destructive on the environment	environmental issues & CSR	Effect on communities	Oil companies in Niger Delta region	Nigeria	Regression
19	Akindele, (2011)	2011	organizational tool for survival	CSR	90% Participation	Banks in Osogbo, Osun State	Nigeria	Frequency distribution
20	Shujie, Jianling, and Lin, (2011)	2008 and 2009	company size; environmental sensitivity consumer proximity,	CSRD	positively associated with firm size, media exposure	800 listed firms on the Shanghai Stock Exchange	China	multivariate regression model
21	Olowokudejo, & Aduloju, 2011)	2011	CSR	Performance	positive relationship	Selected companies	Nigeria	T test
22	Lungu, Chiraţa, and Dascalu, (2011)	2009	Return on equity	Social & environmental disclosure	significant negative correlation	companies classified by Global Fortune		Regression
23	Uwuigbe & Egbide 2012	2008	Return on Total Assets, Debt to Equity (Nature of the Industry) & Size of Audit firm	CSR Disclosure Index	Positive Relationship	Quoted Conglomerate companies	Nigeria	Cross Sectional Data

Source: Previous Studies

Summary of Empirical Review

	AUTHOR NAME (S) AND YEAR	SCOPE OF STUDY	INDEPENDENT VARIABLE(S)	DEPENDENT VARIABLE	OUTCOMES OR RESULTS	SECTOR	COUNTRY	NATURE OF DATA/ STATISTICAL METHOD
24	Bello 2012	2002-2006	Pollution & Safety of Employee and Employment of Disable Person	ROA	Negative and No significant Relationship	Quoted Conglomerate companies	Nigeria	Time Series of individual observations of companies
25	Iqbal, Ahmad, Basheer & Nadeem 2012	2010-2011	CSP index	ROA, ROE, D/E, & Market Value of Share	Negative Relationship	Listed Companies	Pakistan	Panel
26	David 2012	2011	CSR Disclosure Index	Societal Progress	Significant relationship	Banking and Communication Sectors	Nigeria	Cross sectional Data
27	Uwalomwa, & Ben-Caleb, 2012	2008	Return on total assets Debt to equity ratio	firms' financial leverage	Negative Relationship	Financial and Non-Financial Firms	Nigeria	multiple regression analysis
28	Ojo, 2012	2002-2007	CSR	Turnover, total investment	Significant relationship	Listed Companies	Nigeria	(ANOVA)
29	Hosseyn, Kobra, & Ali, 2012	2009	CSR	Legal system, ICT	Negative Relationship	listed in Tehran stock Exchange	Iran	descriptive and inferential statistical
30	El Ghoul, Guedhami, Kwok, & Mishra, 2012	2012	CSR	Cost of equity capital	CSR scores exhibit cheaper equity	U.S. firms	U.S	ex ante
31	Afonso *et al.,* 2012	2005-2009	ROE, ROA and ROS	CRS	positive and significant & negative correlation	Euronext Lisbon stock exchange	Portuguese	Spearman coefficient
32	Wissink, (2012)	2012	CSR	ROA, ROE	positively related	The world's 2,500 largest companies	North America & Europe	multivariate statistical tests
33	Setiawan, and Janet, (2012)	2007-2010	stock prices	CRS	does not have a significant	companies listed on the Indonesian Stock Exchange	Indonesian	Regression
34	Purnomo, and Widianingsih, (2012)	2006-2010	net profit margin	CRS	positiv on financial performance	Indonesia Stock Exchange	Indonesian	multiple regression and moderated regression analysis
35	Uwalomwa, et al., 2012	2008	financial leverage	CRS	positive relationship & negative	listed financial and non financial firms	Nigeria	multiple regression analysis
36	Adeboye and Olawale, (2012)	2012	Business ethics	CRS	no significant difference	Nigerian banks	Nigeria	t-statistic at .05 alpha level
37	Bolanle *et al, (*2012	2001-2010	PAT	CRS	significant positive impact	Nigerian banks	Nigeria	correlation and regression analysis

Source: Previous Studies

Summary of Empirical Review

	AUTHOR NAME (S) AND YEAR	SCOPE OF STUDY	INDEPENDENT VARIABLE(S)	DEPENDENT VARIABLE	OUTCOMES OR RESULTS	SECTOR	COUNTRY	NATURE OF DATA/ STATISTICAL METHOD
38	Adebayo *et al.* (2012)		CRS	return on assets and return on equity	positive correlation	Selected firms in Nigeria	Nigeria	regression and product moment correlation.
39	Lars (2012)	2010	CSR variables industry affiliation, firm size, customer categories and market intensity	Firm Performance	Significant relationship	multi-national enterprises on the Stockholm Stock Exchange Swedish Firms	Sweden	Frequencies and correlation
40	Hosseyn, Kobra, and Ali, (2012	2000	assessment of social reporting	Social cost	Affect SR on behalf of Iranian corporations.	companies listed in Tehran Stock Exchange	Iran	descriptive and inferential statistical technique
41	Babalola, (2012)	2000-2011	CSR	Equity, Risk, Price	Positive impact on Equity, Risk, Price	Selected companies	Nigeria	Regression
42	Nzewi, et. al.,2013	2013	Profit before tax & turnover	CSRA	Significant relationship	Non-bank quoted Companies	Nigeria	Cochran Q test
43	Akano *et al.* (2013)	2009	level of disclosure	CSR	positive relationship	commercial banks	Nigeria	multivariate analysis
44	Ijeoma, & Oghoghomeh, 2014	2008-2012	Performance	CSR	Significant relationship	quoted Companies	Nigeria	regression analysis
45								
46	Onyekwelu, et. al., 2014	2010	CSRA	Disclosures	Significant relationship	quoted Companies	Nigeria	Chi-square and One- Way Anova
47	Jizi, Salama, Dixon, and Stratling, (2014)	2009-2011	board siz, board independence, audit committee size	CSR disclosure	Both negative and positive significant relationship	US commercial listed banks'	U.S.A	Spearman correlations matrix and VIF-tests, regressions
48	Ntiamoah, Egyiri, and Kwamega (2014)	2009-2011	organizational performance	CSR) awareness, firm commitment	high positive correlations	UT Bank Ghana and Barclays Bank Ghana	Ghana	correlation and regression

Source: Previous Studies

Summary of Empirical Review

	AUTHOR NAME (S) AND YEAR	SCOPE OF STUDY	INDEPENDENT VARIABLE(S)	DEPENDENT VARIABLE	OUTCOMES OR RESULTS	SECTOR	COUNTRY	NATURE OF DATA/ STATISTICAL METHOD
49	Marcia, Otgontsetseg, and Hassan, (2014)	2009	ROA and ROE	CSR	positively and significantly related to CSR	U.S. Commercial Banks	USA	OLS regressions
50	Kamatra and Kartikaningdya (2015)	2009-2012	ROA, NPM, ROE, EPS	CRS	partially significant effect on ROA and NPM and no significant effect on ROE and EPS	Selected firms in Indonesia	Indonesia	multiple linear regression analysis
51	Osisioma, et.al. (2015)	2007-2011	Profitability	CSR	Significant relationship	selected firms	Nigeria	Product moment correlation
52	(Saeid, Zabihollah, & Zahra, 2015)							
52	(Halina, Małgorzata, & Joanna, 2016	2000-2015	CRS	Disclosure	Positive relationship	Selected firms	Poland	Content analysis
53	Ramaprakasha & Rajaram 2017	2014/ 2016	Initiatives	CSR	Positive impact on social,environmental & financial	Manufacturing companies	Karnataka in India	Cochran's QTest
54	Ramaprakasha & Rajaram (2017)	2017	CSR	Initiative	Significant difference	Selected companies	Indian	Predictive Analysis Software Statistics 18 and Cochran's Q test.
55	Oleg, & Nino, (2017)	2000 – 2015	Corporate governance of CRS	Tobin's Q, Return on Common Equity, Return on Assets and Market to Book ratio.	significantly influence financial performance	European publicly traded insurance companies	Europe	Tobin's Q Ratio, Pooled OLS or Random Effects (RE), Fixed Effects (FE)
	Ohaka, J. & Ogaluzor, O. (2018)	2016	*CSRA*	*Return on Equity and Donation significantly affects Net Profit*	*strong positive relationship between CSRA and profitability*	oil and gas companies	Nigeria	*the Simple Regression Analysis and Partial Correlation* cross sectional survey design

Source: Previous Studies

2.4 Gap in Literature

Despite the fact that a lot of researches have been conducted in this area of CSR and CRSA and financial performance in advanced countries and quite a few from Nigeria, covering up to 2018, Most of this previous work done in Nigeria and outside Nigeria were not up to date these studies uses different yardstick of measuring CSR, different theoretical framework and CFP proxies. The researchers have the believed by taken different proxies from the advanced countries and developing countries. Because of geographical location, nature of economy and implementation of due process, leadership style, differences in technological advancement, economic growth and development, that the outcome will be different. Therefore, this present will provide a more current work on the subject (2007-2016) covering 10 years, undertake to find out the accounting and reporting of social responsibility, and use a modification model to establish the relationship that exist between the dependent variable and independent variables .

The researcher has the belief that the outcome of the research from advanced countries will probably varies from a developing countries like in the case of Nigeria the research outcome will fill the gap by adding knowledge, advancement on corporate social responsibility accounting on financial performance of insurance companies in Nigeria.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter deals with the methodology of the study. It explains the research design, the population and sampling design adopted by the study. The chapter also explains the sources of data collection and the analysis techniques employed by the study couple with their justifications.

3.2 Research Design

The research design adopted by the study was quasi- experimental research design. In quasi experimental design, the researcher is interested in determining what caused certain outcomes but unfortunately has absolutely no control over the causes (Azuka, 2011) The rationale behind adopting these designs is because the study is interested in ascertaining whether as a result of expenditure cost incurrence on society, employees and environment, financial performance of insurance companies significantly improves, differs or not. Also, to ascertain the current state of social responsibility accounting and reporting in insurance quoted companies.

3.3 Population of the Study

The population of the study consists of all the 40 insurance companies quoted by Nigeria Stock Exchange as at December 2016 are shown in appendix 1.

3.4 Sample of the Study

The sample for the study was;

Firstly, by applying statistically the Taro Yamane formula in determining the sample for the study as follow:

$$\frac{N}{1 + N(e)^2}$$

Where N= Population

e= Limit of tolerable error is 12%

n= Sample size

1= constant

To get a sample from the population

$$n = \frac{40}{1 + 40\,(0.12)^2}$$

n = 25

The sample selection criterion is consistent with previous studies on CSR reporting (Onyekwelu, & Uche, 2014; Nzewi, et al.,2013; Osisioma, Nzewi & Nwoye, 2015).

Secondly, the 25 insurance companies were selected by random sampling technique base on their size and the technique gives each member of the population an equal chance of being selected.

3.5 Data for the study

The instrument for data collection used by the researcher was the secondary source of data. This includes the annual reports and accounts of the random selected insurance companies on the Nigeria Stock Exchange. These are;

Table 3.5.1: list of selected insurance companies

S/n	Name of Company	S/n	Name of Company
1	Allco Insurance American Inter. Plc	14	NEM Insurance plc
2	Consolidated Hallmark Insurance Plc	15	NPF Micro Finance PLC
3	Continental Reinsurance plc	16	Niger Insurance Plc
4	Cornerstone Insurance Plc	17	Prestige Insurance Plc
5	Custodian & Allied Insurance plc	18	Regency Alliance Insurance Plc
6	Equity Assurance Plc	19	Royal Exchange Insurance Plc
7.	Guinea Insurance Plc	20	Sovereign Trust Insurance Plc
8	International Energy Insurance Plc	21	Staco Insurance plc
9	Lasaco Assurance Plc	22	Standard Alliance Insurance Plc
10.	Law Union & Rock Insurance Plc	23	Unic Insurance Plc
11	Linkage Assurance plc	24	Unity Kapital Assurance Plc
12	Mansard Insurance Plc	25	Wapic Insurance Plc
13	Mutual Benefits Assurance Plc		

Source: Nigeria Stock Exchange 2016

The data collected was for the period of ten (10) years ranging from 2007 to 2016.

The content analysis of the annual report and accounts was carried out to determine the individual company's extent of corporate social responsibility accounting and reporting particularly, existence of social corporate responsibility, nature of reports, coverage of corporate social responsibility in the reports, approach to corporate social responsibility accounting, approach to measurement of corporate social responsibility accounting, areas of corporate social responsibility initiative.

3.6 Method of Data Analysis

(a) Multiple Regression:

The study employs parametric statistical techniques using multiple regression analysis techniques for testing hypotheses:

H_{O1}: There is no significant relationship between corporate social responsibility accounting and return on capital employed of insurance companies.

H_{O2}: There is no significant relationship between corporate social responsibility accounting and earnings per share of insurance companies.

H_{O3}: There is no significant relationship between corporate social responsibility accounting and net profit margin of insurance companies.

(b) Cochran Q- test:

The Cochran Q- test for dichotomous nominal scale was use for testing hypothesis 4, there is no significant difference in the accounting and reporting of social activities among the insurance companies in Nigeria.

(c) t-test of independent:

The t-test of independent samples was use for testing hypothesis 5, there is no significant difference in the social responsibility expenditure of bank and insurance companies in Nigeria

3.6.1 Measurement of variables

The measurement of the main variables of concern of the study is presented below.

The dependent variable in this study is corporate social responsibility accounting was proxy using amount of money spent or social cost incurred on social (people) and environment (planet).

The independent variable is financial performance was proxy using; return on capital employed which is the profit before interest and tax divided by capital employed.

Earnings per share were measured by profit after tax divided by the total shareholding.

Net profit margin was measured by net profit divided by turnover.

3.6.2 Model Specification

In order to find out the relationship between the different variables, the data was analyzed with a modification of an existing model use by (Makori, & Jagongo, 2013).

ENVC = f (ROCE, NPM, DPS, and EPS)

Where:

ENVC = Environmental Cost of Companies

ROCE = Return on Capital Employed

NPM = Net Profit Margin

DPS = Dividend per Share;

EPS = Earnings per Share respectively.

The modified model is specified below:

CSRC = f (ROCE, EPS, NPM,)

Where:

CSRC = Corporate Social Responsibility Cost of Companies

ROCE = Return on Capital Employed

EPS = Earnings per Share

NPM = Net Profit Margin

The econometric form of the model is as follows:

$$CRSC = b_0 + b_1 ROCE + b_2 EPS + b_3 NPM + \mu_t$$

Where: b_0, b_1, b_2, b_3, and μ_t represent intercept, impact of return on capital employed, impact of earnings per share, impact of net profit margin, and error terms respectively. The apriori expectation is that corporate social responsibility accounting has a positive relationship with

return on capital employed, impact of earnings per share, impact of net profit margin, in the period under study.

The econometric estimation model was subjected to the following test;

Diagnostic test: Diagnostic test of the model was carried out using the coefficient of multiple determinations, R2 analysis of variance and Durbin Watson statistics. This test is a procedure performed to confirm the model.

The test of significance: was at 5% level of significance using the coefficients of the independent variables and following the rule : Reject the Null hypothesis if the t- prob is less than 0.05,otherwise accept the null hypothesis when t-prob is greater than 0.05 ie. Reject if t-prob < 0.05, Accept if t-prob >0.05.

Normality test: procedure is conducted to ascertain the normality distribution of the error term of the variables under consideration. The decision rule that guide the test is stated as follows: If the probability of Jarque-Bera is less than 0.05, then we conclude that the variables are not normally distributed or otherwise.

The **hetroscedaticity test:** is one of the assumptions of random variable carried out to test if the error term is constant over time. The decision rule that guide the test is stated as follows:

if the probability of f-statistics is less than 0.05 we conclude that there is hetroscedaticity in the model inclining that the error term is not constant, if the probability of f-statistics is greater than 0.05 we conclude that there is homoscedaticity inclining that the error term is constant.

Multicolinearity Test: is one of the assumptions that must hold before applying OLS estimation. The multicolinearity test is calculated to ascertain the degree of relationship that exists between the dependent and independent variables. The decision rule that guide the test is

stated as follows: if the correlation matrix shows a variable that have above 0.8 then there is multicolinearity in the model

3.6.4 Cochran Q- test for dichotomous nominal scale

To determine whether there is significant difference in corporate social responsibility accounting of social activities among the sampled companies, the Cochran Q-test is employed. It in an experiment involving repeated observations, or blocks in which the variable of interest is dichotomous, meaning that it can assume one of the two possible outcomes where one of the two values is considered a success and the other a failure. (Oyeka, 1990).

Under the null hypothesis that the probability of a success is constant across all the groups, the test statistics Q is approximately distributed as Chi- square with C-1 degree of freedom, and hence can be with an approximate critical chi-square value for a rejection or acceptance of Ho

$$Q = \text{statistic} = \text{C} - 1 \, \frac{\sum_{j=1}^{C} T_j^2 - \left(\sum_{j=1}^{C} T\right)^{2} {}^{2}/_{C}}{\sum_{j=1}^{J} B_j \ - \sum_{j=1}^{J} B_j \ {}^{2}/_{C}}$$

3.6.5 The t-test of independent

To determine the difference in corporate social responsibility expenditure of the bank and insurance companies in Nigeria the t-test of independent samples is employed. It is used for testing the significance of the difference between means of two independent samples when the sample size is small (i.e. n<30) (Nworgu, 2015). The decision is when the calculated t falls within the acceptance region. The null hypothesis is not rejected otherwise it is rejected.

The formulae for t-test of independent samples is

$$t = \frac{\overline{X}_1 - \overline{X}_2}{S_{\overline{x}_1 - \overline{x}_2}}$$

Where $\overline{X}_1$ = mean of group 1

$\overline{X}_2$ = mean of group 2

$S_{\overline{x}_1 - \overline{x}_2}$ = standard error of the difference between the two means.

$$S_{\overline{x}_1 - \overline{x}_2} = \sqrt{S_p^2\left(\frac{1}{n_1} + \frac{1}{n_2}\right)}$$

Where n_1 =number of subjects in group 1

n_2= number of subjects in group 2

S_p^2= Pooled variance of the two groups.

Where S_1^2 = Sample variance of group 1.

S_2^2 = Sample variance of group 2.

$$S_p^2 = \frac{(n_1 - 1)S_1^2 + (n_2 - 1)S_2^2}{n_1 + n_2 - 2}$$

The degree of freedom $(df) = n_1 + n_2$-2

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.0 Introduction

In analyzing the corporate social responsibility expenditure were relied on the contents of the chairman's statement, the director's reports and the relationship with ROCE, EPS and NPM, the extent of corporate social responsibility accounting and reporting. Also the model specified in the previous chapter is analyzed using the Ordinary least square regression (OLS). First a descriptive statistics of the variables were first carried out followed by correlation analysis to establish simple linear relationships between dependent variable and the independent variables. Finally, the Ordinary least square regression was ran to incorporate all the independent variables in the model to establish a linear model fit. All these were done using procedures in E-VIEWS 7.

4.1 Date Presentation

The data from annual reports of the 25 insurances companies for ten years ranging from 2007 to 2016 used for this study are show in appendix 2

The consolidated data obtained from the various financial statements are presented in a tabular form as shown in table 4.1.2 below:

Table 4.1.2: Descriptive Statistics of Variables for Various insurance companies

Year	AMT ON CRS	ROCE	EPS	NPM
2007	839861945.00	177.69	58.19	309.42
2008	1727296658.00	248.71	54.81	387.19
2009	2024522701.00	140.20	93.35	13.67
2010	4078581999.33	-43.63	-60.77	-36.30
2011	2555924248.56	223.38	69.62	277.28
2012	3130248840.00	-4.94	-115.62	-186.82
2013	2088971478.00	199.61	217.17	253.85
2014	3761902539.30	233.30	69.05	253.96
2015	3456242987.00	253.94	66.52	290.94
2016	2429445454.00	154.91	51.55	201.55

Source: Annual Reports and Accounts (2007-2016)

In analyzing the data presented in the above table, the ordinary least square regression method was used with the E-View (7.0) version. The result of the data analysis is presented below.

4.2 Presentation and Analysis of Result

Table 4.2.2: Result of Normality Test

	AMT_ON_CRS	EPS	NPM	ROCE
Mean	1.86E+08	3.599071	12.60529	11.30836
Median	81272050	0.985000	17.28500	13.34000
Maximum	1.96E+09	159.4000	65.60000	83.33000
Minimum	0.000000	-157.9800	-316.5500	-74.01000
Std. Dev.	2.69E+08	22.58879	40.71497	17.19228
Skewness	2.945884	-0.229809	-5.895550	-1.174540
Kurtosis	16.10985	36.85687	45.06812	11.33634
Jarque-Bera	1205.056	6687.909	11134.41	437.5739
Probability	0.000000	0.000000	0.000000	0.000000
Sum	2.61E+10	503.8700	1764.740	1583.170
Sum Sq. Dev.	1.01E+19	70925.24	230421.5	41084.85
Observations	140	140	140	140

Source: Eviews 7.0

Table 4.2.2 presents the result for the normality test conducted to ascertain the normality distribution of the error term of the variables under consideration. As observed AMT on CSR have a mean value of 1.86x10^8 and a standard deviation of 2.69x10^8. The maximum and minimum values stood at 1.96x10^9 and 0.00 respectively. EPS is observed to have a mean of 3.60 and a standard deviation of 22.59. The maximum and minimum values were 159.40 and -157.98 respectively. The mean value for NPM stood at 12.61 with a standard deviation of 40.71. The maximum and minimum value for NPM is 65.6 and -316.55 respectively. ROCE was observed to have a mean value of 11.31 and a standard deviation of 17.19. The maximum and minimum ROCE are 83.33 and -74.01 respectively. An evaluation of the Jacque-Bera statistic for the variables indicates that all the variables appear not normally distributed ($p<0.0001$), because the probability of Jarque-Bera is less than 0.05 in the model.

Table 4.2.3: Result of Multicolinearity Test

	AMT_ON_CSR	**EPS**	**NPM**	**ROCE**
AMT_ON_CSR	1.000000	-0.039799	0.101393	0.134283
EPS	-0.039799	1.000000	0.149548	0.229046
NPM	0.101393	0.149548	1.000000	0.603753
ROCE	0.134283	0.229046	0.603753	1.000000

Source: Eviews 7.0

From table 4.2.3 above, the correlation coefficient analyzed shown the degree of relationship that exists between the dependent and independent variables. The decision rule for the test is that if the correlation matrix shows a variable that have above 0.8 then there is multicolinearity in the model. The correlation coefficients of the variables as examine reveal that a negative correlation exists between EPS and AMT ON CSR (-0.04). NPM has a positive relationship with AMT ON CSR (0.10); while ROCE has a positive relationship with AMT ON CSR (0.13). Therefore, NPM

and ROCE have provided a strong evidence of multicollinearity between the variables as those two were seen to be strongly correlated.

Table 4.2.4: Result of Ordinary Least Square Regression

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.64E+08	27340382	5.982498	0.0000
EPS	-892000.0	1037122.	-0.860073	0.3913
NPM	220150.2	702611.6	0.313331	0.7545
ROCE	2056010.	1690153.	1.216464	0.2259

Source: Eviews 7.0 Parametric test results for insurance companies

From table 4.2.3 above, the ordinary least square regression result reveals a negative relationship of EPS (-0.86), positive relationship NPM (0.31) and ROCE (1.21) of the variables examined. Also, a negative correlation exists between EPS and AMT ON CSR (-892000). NPM has a positive relationship with AMT ON CSR (220150.2); while ROCE has a positive relationship with AMT ON CSR (2056010). This result is summarized below:

$$AMT_ON_CSR = 1.64E + 8 - 892000EPS + 220150.2NPM + 2056010ROCE + U_t$$
$$(5.98) \qquad (-0.86) \qquad (0.31) \qquad (1.22)$$

Table 4.2.5: Result of Diagonistic Test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.64E+08	27340382	5.982498	0.0000
EPS	-892000.0	1037122.	-0.860073	0.3913
NPM	220150.2	702611.6	0.313331	0.7545
ROCE	2056010.	1690153.	1.216464	0.2259

R-squared	0.023990	Mean dependent var	1.86E+08
Adjusted R-squared	0.002461	S.D. dependent var	2.69E+08
S.E. of regression	2.69E+08	Akaike info criterion	41.68523
Sum squared resid	9.83E+18	Schwarz criterion	41.76928
Log likelihood	-2913.966	Hannan-Quinn criter.	41.71939
F-statistic	1.114287	Durbin-Watson stat	0.936509
Prob(F-statistic)	0.345627		

Source: Eviews 7.0 Parametric test results for insurance companies

$R^2 = 0.024$; $\overline{R}^2 = 0.002$

F-Stat= 1.11; D.W = 0.9

Table 4.2.5 above shows the result of the diagonistic test procedure performed to confirm the first order auto-regressive scheme. The result show R-squared (0.0239) and adjusted R- squared value (0.0024) respectively. While F-statistic (1.114) and Durbin-Watson statistic (0.936). The implication of this is that the Durbin Watson statistics value of 0.9 indicates the presence of not auto-correlation with a first order scheme; we reject the null hypothesis base on no

autocorrelation in the model between the variables and therefore subject the test to Cochrane Orcutt iterative process.

Table 4.2.6: Result of Cochrane Orcutt iterative process

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.21E+08	51314030	4.314280	0.0000
EPS	-733290.0	671649.0	-1.091776	0.2771
NPM	83239.15	530107.8	0.157023	0.8755
ROCE	-66702.65	1183815.	-0.056346	0.9552
AR(1)	0.595267	0.072820	8.174457	0.0000
R-squared	0.358482	Mean dependent var		2.00E+08
Adjusted R-squared	0.337275	S.D. dependent var		2.78E+08
S.E. of regression	2.26E+08	Akaike info criterion		41.35139
Sum squared resid	6.20E+18	Schwarz criterion		41.46394
Log likelihood	-2600.137	Hannan-Quinn criter.		41.39711
F-statistic	16.90380	Durbin-Watson stat		2.516991
Prob(F-statistic)	0.000000			
Inverted AR Roots	.60			

Source: Eviews 7.0 Parametric test results for insurance companies

$R^2 = 0.36$; $\overline{R}^2 = 0.34$

F-Stat= 16.90; D.W = 2.51

Table 4.2.6 above shows that R-squared (0.358) and adjusted R- squared value (0.337) respectively. While F-statistic (16.90) and Durbin-Watson statistic (2.51). The implication of this is that the Durbin Watson statistics value of 2.51 and F- statistic value 16.90 indicates the

presence of correlation between the variables and is adequate for the purpose of judging, therefore it is acceptable.

The research hypotheses were answered using the coefficients of the independent variables as show in the ordinary least square regression in table 4.2.3. It reveals that hypothesis 1, have a significant relationship between corporate social responsibility accounting and return on capital employed of insurance companies. Hypothesis 2, have no significant relationship between corporate social responsibility accounting and earnings per share of insurance companies while hypothesis 3, have a significant relationship between corporate social responsibility accounting and net profit margin of insurance companies.

4.3 Corporate Social Responsibly Accounting and Reporting

The data and analysis of individual company's corporate social responsibility accounting and reporting are shown in table 4.3.1 below

Table 4.3.1: Analysis of Corporate Social Responsibly Accounting and Reporting

S/n	Name of Company	Existence of CRS Policy	Nature of Report	Coverage of CRS in the Report	Area of CRS Initiative	Approach to CRS Accounting	Approach to measurement of social Contribution
1	Allco Insurance American Inter. Plc	Yes	Integrated Report	0.14 page	-Education -Less Privilege -Community -Welfare & Health -Sport Development	Combination of descriptive & cost outlay	Not Stated
2	Consolidated Hallmark Insurance Plc	Yes	Integrated Report	0.48 page	- Education -Health, Safety & environment -Employee welfare -Community development & training	Combination of descriptive & cost outlay	Not Stated
3	Continental Reinsurance plc	Yes	Integrated Report	0.23 page	-Youth development -Education -Health & Safety -Sport -Environment	Combination of descriptive & cost outlay	Not Stated
4	Cornerstone Insurance Plc	Yes	Integrated Report	0.11 page	Community & Environment -Education - Less Privilege	Combination of descriptive & cost outlay	Not Stated
5	Custodian & Allied Insurance plc	Yes	Integrated Report	3 pages	- Sponsorship -Education -Health - Community development	Combination of descriptive & cost outlay	Not Stated
6	Equity Assurance plc	Yes	Integrated Report	0.33 page	- Education - Health & Safety - Less privilege	Combination of descriptive & cost outlay	Not Stated
7	Guinea Insurance Plc	Yes	Integrated Report	0.12 page	No	Descriptive Only	Not Stated
8	International Energy Insurance plc	Yes	Integrated Report	0.48 page	- Health & safety -Employee Training -Humanitarian -Environment	Combination of descriptive & cost outlay	Not Stated

Source: Researchers' compilations (2018)

Analysis of Corporate Social Responsibly Accounting and Reporting

S/n	Name of Company	Existence of CRS Policy	Nature of Report	Coverage of CRS in the Report	Area of CRS Initiative	Approach to CRS Accounting	Approach to measurement of social Contribution
9	Lasaco Assurance Plc	Yes	Integrated Report	0.33 page	Youth & Sport -Health & Safety -Welfare -Education	Combination of descriptive & cost outlay	Not Stated
10	Law Union & Rock Insurance Plc	Yes	Integrated Report	0.12 page	-Scholarship -Education -Health & Safety -less privilege	Combination of descriptive & cost outlay	Not Stated
11	Linkage Assurance plc	Yes	Integrated Report	0.48 page	-Health & safety -Employee welfare - less privilege -Training	Combination of descriptive & cost outlay	Not Stated
12	Mansard Insurance Plc	Yes	Integrated Report	0.48 page	-Less Privilege -Community -Environment -welfare & training	Combination of descriptive & cost outlay	Not Stated
13.	Mutual Benefits Assurance Plc	Yes	Integrated Report	0.48 page	-Sport Development -Community -Education -Health & Safety	Combination of descriptive & cost outlay	Not Stated
14	NEM Insurance plc	Yes	Integrated Report	0.45 page	-Education -Charity & Less Privilege -Environment -Community	Combination of descriptive & cost outlay	Not Stated
15	Niger Insurance Plc	Yes	Integrated Report	1 page	-Charitable - Education -Health, Safety & welfare -Employee development & training	Combination of descriptive & cost outlay	Not Stated
16	NPF Micro Finance Bank Plc	Yes	Integrated Report	0.08page	Health & Safety – Education - Less privilege	Combination of descriptive & cost outlay	Not Stated
17	Prestige Insurance Plc	Yes	Integrated Report	4 pages	-Orphanage -Education -Health & welfare - Welfare	Combination of descriptive & cost outlay	Not Stated

Source: Researchers' compilations (2018)

Analysis of Corporate Social Responsibly Accounting and Reporting

S/n	Name of Company	Existence of CRS Policy	Nature of Report	Coverage of CRS in the Report	Area of CRS Initiative	Approach to CRS Accounting	Approach to measurement of social Contribution
18	Regency Alliance Insurance Plc	Yes	Integrated Report	1 page	-Health & Safety -welfare -Education	Combination of descriptive & cost outlay	Not Stated
19	Royal Exchange Insurance Plc	Yes	Integrated Report	0.33 page	- Sponsorship -Education -Health -Empowerment -Less Privilege	Combination of descriptive & cost outlay	Not Stated
20	Staco Insurance plc	Yes	Integrated Report	0.33 page	-Community & Environment -Education -Welfare -Less Privilege	Combination of descriptive & cost outlay	Not Stated
21	Standard Alliance Insurance Plc	Yes	Integrated Report	0.33 page	-Education - Care for less Privilege - Community	Combination of descriptive & cost outlay	Not Stated
22	Sovereign Trust Insurance Plc	Yes	Integrated Report	0.18 page	-Community - Environment -Education -Health Safety -Less Privilege	Combination of descriptive & cost outlay	Not Stated
23	Unic Insurance plc	Yes	Integrated Report	0.12 page	- Health & safety -Education	Combination of descriptive & cost outlay	Not Stated
24	Unity Kapital Assurance Plc	Yes	Integrated Report	0.08page	- Health & Safety – Education - Less privilege	Descriptive & cost outlay	Not Stated
25	Wapic Insurance Plc	Yes	Integrated Report	4 pages	-Community -Environment -welfare & training -Education	Combination of descriptive & cost outlay	Not Stated

Source: Researchers' compilations (2018)

From the analysis from table 4.3.1 above, it is clear that all the sampled insurance companies are conscious of their responsibility to their host environment and communities. Also revealed is that the companies to a large extent adopted integrated approach in the communication of their social responsibility. The implication is that they regard social responsibility accounting as a mere

extension of corporate financial reporting as in none of the cases was a free-standing report on social contributions made.

The data further revealed that the proportion of pages of the annual report devoted to social responsibility accounting range between 0.08 and 4 pages with a mean of 0.23 (23%) this does not suggest adequate coverage attention to CRS and may be indicative of a general cover summarization of social activities in the reports

The study revealed that their approach to social responsibility accounting is predominantly a combination of descriptive and cost outlay in reporting of their activities in the period under review with the exception of Guinea Insurance Plc which adopted descriptive approach. Apart from the listing of social activities, projects, the expenditure on each of them is quantified in monetary terms. Of very significance is the fact that none of the companies adopted cost benefit approach which matched expenditure on each social project to the benefit associated with it. Also none of the companies disclosed its means of assessing its social contribution which can be measured either by surrogate valuation, survey, court decision or analysis method. This is indicative of the elementary stage of social responsibility accounting among the insurance companies in Nigeria.

Further revelation is that the areas of social responsibility initiatives are largely in education, employee development, welfare, health, and sports development. This is contrary to the previous believed that it is only companies whose activities adversely affect the environment are to involve in CRS.

4.3.1 Testing of Hypothesis Four

Ho: There is no significant difference in the accounting and reporting of social activities among the insurance companies in Nigeria

The data for testing the above hypothesis is as detailed in table 4.3.2

Table 4.3.2: Analysis for Cochran Q Test for insurance companies

Companies	Approach to CSR Accounting	Existence ofCSR Policy	% to CSR Report to Annual Report	CSR Expenditure as % N. Profit	B_j
Allco Insurance American Inter. Plc	1	0	1	0	2
Continental Reinsurance Plc	1	1	0	1	3
Consolidated Hallmark Insurance Plc	1	1	1	0	3
Cornerstone Insurance Plc	1	1	0	0	2
Custodian & Allied Plc	1	1	1	1	4
Equity Assurance plc	1	1	0	0	2
Guinea Insurance Plc	1	0	0	0	1
International Energy Insurance plc	1	1	0	0	2
Lasaco Assurance Plc	1	1	0	1	3
Law Union & Rock Insurance Plc	1	1	0	0	2
Linkage Assurance	1	1	0	1	3
Mansard Insurance Plc	1	0	1	1	3
Mutual Benefits Assurance Plc	1	0	1	1	3
NEM Insurance	1	1	0	0	2
Niger Insurance Plc	1	1	0	1	3
Prestige Assurance Plc	1	1	0	0	2
Regency Alliance Insurance Plc	1	0	1	0	2

Source: Researchers' compilations (2018)

Analysis for Cochran Q Test for insurance companies

Companies	Approach to CSR Accounting	Existence ofCSR Policy	% to CSR Report to Annual Report	CSR Expenditure as % N. Profit	B_j
Royal Exchange Assurance	1	1	0	0	2
Staco Insurance Plc	1	1	1	0	3
Standard Alliance Insurance Plc	1	1	0	0	2
Sovereign Trust Insurance	1	1	0	0	2
Unity Kapital Assurance Plc	1	0	0	0	1
Universal Insurance Plc	1	0	0	0	1
Wapic Insurance Plc	1	0	1	0	2

Source: Researchers' compilations (2018)

In analyzing and testing the data presented above the Cochran Q-test for dichotomous nominal scale was used where the variable of interest can assume only one of two possible values; and one of the value is considered a success and code with ''1'' and the other is considered a failure and coded with ''0'' (Onyeka, 1990)

In the absence of acceptable benchmarks, we develop our model using four critical variables:

1) Approach to corporate social responsibility accounting – here we adopted a combination of descriptive and cost outlay which involves listing of corporate social activities together with expenditure quantified in monetary terms is scored ''success'' while mere listing of or non listing of social activities is scored '' failure''

2) Existence of corporate social responsibility accounting policy – here the existence of policy is scored ''success'' and non- existence is scored '' failure''

3) Proportion of the number of pages in the annual report that management devoted to social reports – here we adopted any scores above the mean score of all the sampled companies as ''success'' and scores below as '' failure''

4) Corporate social responsibility expenditure as a percentage of net profit – here the scores above the mean score for the sampled companies are adjudged ''success'' and scored below are regarded '' failure''

Applying the Cochran Q- test we obtained the result in table 4.3.3 below

Table 4.3.3 Result of Cochran Q Test output in SPSS

Frequencies

	Value	
	0	1
Standard Alliance Insurance Plc	2	2
Niger Insurance Plc	1	3
Linkage Assurance	1	3
Custodian & Allied Plc	0	4
Consolidated Hallmark Insurance Plc	1	3
Staco Insurance Plc	1	3
NEM Insurance	2	2
Continental Reinsurance Plc	1	3
Law Union & Rock Insurance Plc	2	2
Sovereign Trust Insurance	2	2
Prestige Assurance Plc	2	2
Royal Exchange Assurance	2	2
Cornerstone Insurance Plc	2	2
Lasaco Assurance Plc	1	3
Allco Insurance American Inter. Plc	2	2
Regency Alliance Insurance Plc	2	2
Mansard Insurance Plc	1	3
Guinea Insurance Plc	3	1
Wapic Insurance Plc	2	2
Unity Kapital Assurance Plc	3	1
Mutual Benefits Assurance Plc	1	3
Universal Insurance Plc	3	1
Equity Assurance plc	2	2
International Energy Insurance plc	2	2

Test Statistics

N	4
Cochran's Q	19.075[a]
Df	23
Asymp. Sig.	.697

a. 1 is treated as a success.

The result of the test statistic Q above is approximately distributed as chi-square with 4-1 degrees of freedom and hence may be compared as appropriate critical chi-square value for a rejection or acceptance of H0.

Where the calculated Q statistic is greater than the tabulated Q statistic the null hypothesis is rejected.

Since Q=19. 08 >11.35 =X.99.3, we reject the null hypothesis and conclude that there is significant difference in the accounting and reporting of social activities among the insurance quoted companies in Nigeria

4.4 Testing of Hypothesis Five

H0: There is no significant difference in the social responsibility expenditure of bank and insurance companies in Nigeria

The data for testing the above hypothesis is as presented in table 4.4.1

Table 4.4.1 Analysis of Social Responsibility Expenditure of Bank and Insurance Companies in Nigeria

Banks in Nigeria | **Insurance in Nigeria**

S/N	Name of company	Year	Amt on CRS (₦)	S/N	Name of company	Year	Amt on CRS (₦)
1	Access Bank plc	2007-2016	1,955,978,782	1	Allco Insurance American Inter. Plc	2007-2016	14,716,307
2	Diamond Bank plc	2007-2016	3,624,518,308	2	Consolidated Hallmark Insurance Plc	2007-2016	16,904,308
3	FCMB Bank plc	2007-2016	1,701,769,499	3	Cornerstone Insurance Plc	2007-2016	2,684,100
4	Fidelity Bank plc	2007-2016	695,667,137	4	Custodian & Allied Insurance Plc	2007-2016	18,241,000
5	GTB Bank plc	2007-2016	3,143,583,756	5	International Energy Insurance plc	2007-2016	196,487,604
6	Stanbic IBTC Bank Plc	2007-2016	850,946,216	6	NEM Insurance Plc	2007-2016	23,750,085
7	Sterling Bank plc	2007-2016	588,893,000	7	Niger Insurance Plc	2007-2016	20,264,927
8	United Bank for Africa Plc	2007-2016	2,047,808,200	8	Lasaco Assurance Plc	2007-2016	56,114,349
9	Union Bank plc	2007-2016	771,636,184	9	Staco Insurance Plc	2007-2016	58,637,343
10	Wema Bank plc	2007-2016	273,454,912	10	Standard Alliance Insurance Plc	2007-2016	9,513,790
11	Zenith Bank plc	2007-2016	6,652,325,045	11	Regency Alliance Insurance Plc	2007-2016	9,852,460

Source: Researchers' compilations (2018)

In analyzing the data presented in table 4.4.1 the t-test is employed. The purpose is to test the significance of the difference between means of two independent samples (banks and insurance companies). The decision is when the calculated t falls within the acceptance region. The null hypothesis is not rejected otherwise it is rejected. The result of the test is shown below;

Table 4.4.2: Result of t-test of Independent

Group Statistics

	Company Type	N	Mean	Std. Deviation	Std. Error Mean
Amount on CSR	Banks	11	2027871004.0000	1875586827.00000	565510706.10000
	Insurance	11	38833297.5500	55327066.13000	16681738.10000

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Amount on CSR	Equal variances assumes	12.023	.002	3.516	20	.002	1989037706.00000	565756696.00000	808889918.10000	3169185494.00000
	Equal variances not assumes			3.516	10.017	.006	1989037706.00000	565756696.00000	728750021.30000	3249325391.00000

Table 4.4.2 parametric test results for insurance companies and banks for t-test

Table 4.4.2 above reveals that the mean value of banks (20278.71004.) is higher than that of the insurance companies (388.33297), representing percentage amount spent on corporate social responsibility to be 98.13% (Bank) while that of insurance companies was 1.87%. Also, the calculated t statistic (3.516) is greater than the tabulated t statistic (2.086). Since the calculated t does not falls within the acceptance region, therefore, the null hypothesis is rejected. We conclude that there is significant difference in the social responsibility expenditure of bank and insurance companies in Nigeria.

4.5 Discussion of Findings

The study aimed at looking at the corporate social responsibility accounting and financial performance of insurance companies in Nigeria. In an effort to achieve this three independent variables were used against one dependent variable. The independent variables used by the model to represent financial performance are Return on capital employed (ROCE) Earning per share (EPS) and Net profit margin (NPM). The dependent variable used for corporate social responsibility accounting (CSRA) was amount on social responsibility cost (ASRC) incurred by insurance companies for a period of ten years. The study found that two of the independent variables have a strong positive relationship between AMT ON CRS and ROCE, and NPM with the ordinary least square regression result that reveals a positive relationship ROCE (1.21) and NPM (0.31) of the variables examined. And a positive correlation of AMT ON CSR (2056010) and NPM (220150.2). The result of the study lends credence to the findings of (Pricewater Coopers, 2002) found that 70% of Chiefs Executive Officers (CEOs), agreed that CSR is vital to the profitability of any company. Likewise, a fifty country study of CEOs in the same year by (Environics International, 2002) showed that 80% believe CSR enhances product innovation and profitability. (Olowokudejo & Aduloju, 2011) found that involvement in corporate social responsibility have positive relationship with organizational effectiveness which will increase profitability and overall performance.

(Ngwakwe, 2009; Gunu, 2008; Azubike, 2008; Uadiale & Fagbemi, 2011; Classon & Dahlstrom, 2006; Bolanle *et al,* 2012; Tsoutsoura, 2004; Servaes & Tamayo, 2012; Yang, Lin & Chang, 2010; Osisioma, Nzewi & Nwoye, 2015). these study shows that there is a positive relationship between company financial performance measures and corporate social responsibility performances.

The study found that Hypothesis 2, have no significant relationship between corporate social responsibility accounting and earnings per share of insurance companies. This is reveals by the ordinary least square regression result of EPS (-0.86), and that a negative correlation exists between EPS and AMT ON CSR (-892000).

The study of Adebayo *et al.* (2012) supported this result that the performance of corporate social responsibility has no correlation with return on equity. While (Afonso *et al.,* 2012) found out those companies belonging to group of Medium CSR were worst only in ROE and Low CSR companies. The total negative correlation between CSR Index and ROE, in the Low CSR companies, that had the better result in ROE and the worst in ROA, it may also indicate that a focus in results to shareholders, neglecting social performance, may have a negative impact in other dimensions.

The study found that Hypothesis 4 shown that there is significant difference in the accounting and reporting of social activities among the insurance as the Cochran Q test (Q=19,08 .>11.35 =X.99.3). This result is in support with (Nzewi, et al, 2013), who appraised corporate social responsibility accounting in Non-bank quoted companies in Nigeria and established that there was significant difference in the accounting and reporting of social activities among the companies

The study found that Hypothesis 5 that there is significant difference in the social responsibility expenditure of bank and insurance companies in Nigeria with mean value of banks (20278.71004.) > than that of the insurance companies (388.33297). Also, the calculated t statistic (3.516) is greater than the tabulated t statistic (2.086).

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.0 Introduction

This chapter presents the summary from the study, the conclusions, recommendations made in the light of the findings of the study, and suggestions for further studies.

5.1 Summary of Findings

The study reveals the following findings;

1. The ordinary least square regression result of AMT_ON_CSR (5.98) and ROCE (1.22) for hypothesis 1, have a positive and significant relationship between corporate social responsibility accounting and return on capital employed of insurance companies.

2. That the ordinary least square regression result of AMT_ON_CSR (5.98) and EPS (-0.86) for hypothesis 2, have negative and no significant relationship between corporate social responsibility accounting and earnings per share of insurance companies

3. The ordinary least square regression result of AMT_ON_CSR (5.98) and NPM (0.31) for hypothesis 3, have a positive and significant relationship between corporate social responsibility accounting and net profit margin of insurance companies in Nigeria

4. The calculated Q statistic of 19. 08 > the table Q statistic of 11.35 =X.99.3, we reject the null hypothesis, and conclude that hypothesis 4 has a significant difference in the accounting and reporting of social activities among the insurance companies in Nigeria

5. The calculated t statistic (3.516) is greater than the table t statistic (2.086) therefore; the null hypothesis is rejected and concludes that hypothesis 5 has a significant difference in the social responsibility expenditure of bank and insurance companies in Nigeria.

5.2 Conclusion

Sequel to the hypothesis testing, data analyses and the findings from the study reveal that there is evidence of conscious effort of the sampled insurance and bank to discharge their social corporate responsibilities as summarized in tables 4.3.1, 4.3.2, 4.4.1 and appendix 2.

The findings which revealed a significant difference in the accounting and reporting of social activities among the insurance companies in Nigeria has some implications. It is possible that the variation in the companies' reporting could be linked to lack of legal prescriptions and ignorance of the benefits of social accounting and reporting. This corroborated by the findings of the study carried out by (Ekwueme, 2011) that Nigerian companies are still uncertain about the benefits of social reporting information benchmark has not been widely recognized either by the companies by the financial companies. Similarly, the communiqué released by the institute of Chartered Accountants of Nigeria (2004) at the end of its conference on Corporate Social Responsibility indicated that social reporting was not fully founded in Nigeria.

The evidence of conscious effort of the companies to discharge their social responsibilities suggests that the theory, the investigated firms are beginning to behave as good corporate citizens but on the whole, the thoughts appeared basically low and still at the embryonic stage (Umalomwa & Uadiale, 2011).

Revelation of adoption of integrated report as nature of report and descriptive and cost outlay as approach to CRS accounting in the communication of social responsibility activities by

the focused companies has some undertone of projecting to the public that they are committed to social responsibility. But in reality, their investment in social projects was extremely small compared to the huge profit generated from the environment. This finding is confirmed by the results of the study executed by Amaeshi, et al (2011) when they found out that Nigerian companies practice and perceive corporate social responsibility as corporate philanthropy. This brings to false the deficiency in the acclaimed commitment to corporate social responsibility.

Another finding that the insurance companies focused on education, employee development, welfare, and health and sports development implies that they seemed to remedy the negative effects of the business activities in their host communities. The policy implication is that since the companies appear not to have committed tangible financial resources to these areas, there is need for the regulatory authorities to compel them to be much more committed to their responsibilities.

Given the aforementioned findings and implications, we conclude that insurance companies quoted in the Nigerian Stock Exchange have varied nature of social responsibility activities which translated into the different ranges of coverage of social report in the annual report and account, approach to social accounting and areas of social initiative.

5.3 Recommendations

Based on findings, the study recommends the following to the various stakeholders.

1. Management of insurance companies should ensure that social responsibility is inbuilt into their policy statements and back up with effective budget giving the fact that CRS leads to profit realization. Furthermore, management should create a unit or department within their firms that will be responsible for their social responsibility programmes which should ensure that their social responsibility policies are adequately implemented,

and ensure that Nigerian companies comply with government laws regarding business regulation in the country.

2. Shareholders at the annual general meeting should encourage the management of their companies to have well structured corporate social responsibility programme in view of it benefits.
3. Employees should be more effective and efficient in discharging their functions. By being effective and efficient the companies can be able to render services at low cost which by extension means part of the money saved could be used in attaining responsibility issues.
4. The Financial Reporting Council of Nigeria (FRC) should come up with clearly defined regulatory frame work on International Financial Reporting Standard (IFRS) and amendment of relevant sections of Companies and Allied Matters Acts (CAMA) on how to go about social responsibility issues in Nigeria and should ensure its full implementations.

5.4 Contribution to Knowledge

This research is of great significant by contributing to the body of knowledge in the area of corporate social responsibility accounting and financial performance of insurance companies in Nigeria . Secondly, in contributing to knowledge is the methodology adopted in the study, quasi-experimental research design, Cochran Q- test, t-test of independent samples and the Model Specification have not be use on data collected from insurance companies in Nigeria,

Also, is the statistics tool adopted in the study E-VIEWS 7 which has not be use in any previous study on CSR hence have added to the body of knowledge.

Finally, the study has make meaningful contribution to knowledge by using integrated, descriptive and cost outlay methods in reporting CSR activities even without an existing accounting standard for reporting on CSR in insurance companies in Nigeria .

5.5 Suggestions for Further Research

Further researches should be conducted in the area by widening the scope and incorporating more relevant variables with literature backing. In addition, different methodologies may also be employed in order to address the issue in more wholistic approach.

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APPENDIX 1

Insurance Companies Quoted on Nigeria Stock Exchange (NSE) as at December 2016

A. Insurance
1. Africean Alliance Insurance Plc
2. Allico
3. Continental Reinsurance Plc
4. Cornerstone Insurance
5. Costodian & Allied Insurance Plc
6. Equity Assurance Plc
7. Great Nigeria Insurance Plc
8. Goldlink Insurance Plc
9. Guinea Insurance Plc
10. Consolidated Hallmark Insurance Plc
11. Investment & Allied Assurance Plc
12. International Energy Insurance Plc
13. Lasaco Assurance Plc
14. Law Union & Rock Insurance Plc
15. Linkage Assurance Plc
16. Mansard Insurance Plc
17. Mutual Benefits Assurance Plc
18. N.E.M Insurance Co. Nig Plc
19. Niger Insurance Co. Plc
20. Oasis Insurance Plc
21. Prestige Assurance Co Plc
22. Regency Alliance Insurance Plc
23. Sovereign Trust Insurance Plc
24. Staco Insurance Plc
25. Standard Alliance Insurance Plc
26. Unic Insurance Plc
27. Unity Kapital Assurance Plc
28. Universal insurance company Plc
29. Wapic
30. Fortis Microfinance Bank Plc
31. NPE
32. Abbey Building society Plc
33. Aso Saving and loans Plc
34. Resort saving and loans Plc
35. Union Homes savings and loans Plc
36. Africa prudential registrans Pls
37. Deap capital management Plc
38. Nigeria energy sector fund Plc
39. Royal exchange Plc
40. Sim capital Alliance value Plc

Appendix 2

Data from annual report and accounts for 25 Insurance companies for 10 years (2007-2016)

S/N	NAME OF COMPANIES	YEAR	AMT ON CSR	%	ROCE	EPS	NPM
1	Standard Alliance Insurance Plc	2007	456,320	4.796406	22.87	17.22	35.8
		2008	609,500	6.40649	7	13.45	33.28
		2009	1,010,200	10.61827	4.87	10.23	39.3
		2010	980,630	10.30746	6.18	0.67	34.05
		2011	960,550	10.0964	-25.77	0.99	-56.1
		2012	1,500,000	15.76659	2.91	3.17	13.6
		2013	1,256,030	13.2022	-38.9	-16.88	-37.78
		2014	890,560	9.360728	-16.65	-7.35	-25.23
		2015	700,000	7.357741	-56.01	-17.35	-47.98
		2016	1,150,000	12.08772	17.6	7.4	16.66
	TOTAL		9513790				
2	Niger Insurance Plc	2007	1,964,000	9.691621	13.58	18.7	45.1
		2008	1,121,742	5.535386	13.18	17	25.97
		2009	2,350,000	11.59639	1.71	-3.16	2.22
		2010	1,955,000	9.64721	-0.48	-2.29	-0.29
		2011	2,880,000	14.21175	2.77	-2.37	1.22
		2012	1,589,605	7.844119	47.7	40.02	36.25
		2013	2,653,890	13.09598	9.57	10.03	8.01
		2014	3,450,690	17.02789	8.76	8.11	6.94
		2015	400,000	1.973854	7.71	8.93	6.51
		2016	1,900,000	9.375805	8.49	7.67	7.28
	TOTAL		20,264,927				
3	linkage Assurance Plc	2007	760,400	6.239656	7.87	5.9	21.89
		2008	500,000	4.102877	6.74	5.6	20.69
		2009	790880	6.489767	41.87	-3.1	26.62
		2010	900,000	7.385179	38.61	-5.1	-0.04
		2011	5,299,250	43.48434	9.29	-3	27.81
		2012	1,200,000	9.846905	8.32	3.4	26.35
		2013	500,000	4.102877	-0.01	3.4	-0.09
		2014	680,450	5.583606	2.69	5.2	15.4
		2015	725,000	5.949172	2.08	4.1	10.63
		2016	830,590	6.815618			
	TOTAL		12186570				

S/N	NAME OF COMPANIES	YEAR	AMT ON CSR	%	ROCE	EPS	NPM
4	Custodian & Allied Insurance Plc	2007	111,000	0.608519	5.66	0.32	32.5
		2008	180,000	0.986788	40.79	0.36	72.99
		2009	415,000	2.275095	18.28	33	45.1
		2010	2,000,000	10.96431	18.11	36.72	38.26
		2011	2,750,000	15.07593	20.08	40.03	17.25
		2012	735,000	4.029384	19.13	-11	12.13
		2013	3,100,000	16.99468	21.77	18	42.3
		2014	4,200,000	23.02505	22.21	60	18.88
		2015	3,400,000	18.63933	22.35	70	20.43
		2016	1,350,000	7.40091	21.98	68	19.23
	TOTAL		18,241,000				
5	Consolidated Hallmark Insurance Plc	2007	934,200	5.526402	7.6	4.27	17.17
		2008	758,937	4.489607	5.09	3.83	15.74
		2009	1,492,880	8.831358	11.07	6.01	18.83
		2010	1,500,000	8.873478	9.28	4.04	15.33
		2011	1,720,000	10.17492	6.03	3.53	8.87
		2012	1,660,000	9.819982	3.78	4.31	3.61
		2013	2,298,291	13.59589	13.38	6.59	13.53
		2014	1,530,000	9.050947	-4.87	-3.29	-4.48
		2015	1,550,000	9.16926	5.35	3.22	4.45
		2016	2,650,000	15.67648	16.51	9.1	11.67
	TOTAL		16,904,308				
6	Staco Insurance Plc	2007	2,450,460	4.179009	16.45	0.12	65.44
		2008	3,984,900	6.79584	19.83	0.16	31.84
		2009	2,300,000	3.922415	14.37	0.11	14.25
		2010	8,247,320	14.06496	11.52	8	12.11
		2011	5,134,400	8.756195	1.49	1	1.33
		2012	2,350,000	4.007685	8.56	-17	5.36
		2013	2,700,000	4.604574	4.33	5	4.96
		2014	14,651,050	24.98587	6.42	8	9.26
		2015	9,150,000	15.60439	2.25	3	3.65
		2016	7,669,213	13.07906	1.54	1	2.72
	TOTAL		58,637,343				

S/N	NAME OF COMPANIES	YEAR	AMT ON CSR	%	ROCE	EPS	NPM
7	NEM Insurance Plc	2007	50,000	0.210526	3.67	2.16	1.59
		2008	380,000	1.599994	11.9	8.03	18.43
		2009	1,174,500	4.945245	13.04	9	13.16
		2010	3,138,224	13.21353	18.5	17	17.58
		2011	1,174,500	4.945245	18.3	16	17.3
		2012	1,500,000	6.315767	22.05	24	17.61
		2013	4,057,861	17.08567	15.76	9	7.05
		2014	1,760,000	7.4105	11.59	7	6.09
		2015	5,045,000	21.24203	30.11	29	17.96
		2016	5,470,000	23.0315	9.51	14	5.4
	TOTAL		23,750,085				
8	Continental Reinsurance Plc	2007	0	0	70.66	5	76.3
		2008	2,136,895	6.281797	77.67	7	81.32
		2009	3,141,300	9.234431	70.16	5	149.14
		2010	1,693,285.50	4.977725	6.27	9	34.71
		2011	4,208,375.60	12.3713	13.64	12	15.45
		2012	3,468,400	10.196	16.3	14	14.1
		2013	3,013,200	8.857858	14.96	16	16.37
		2014	4,459,312.82	13.10897	15.63	17	14.85
		2015	6,125,186	18.00611	5.79	8	5.29
		2016	5,771,300	16.9658	18.76	19	14.77
	TOTAL		34,017,255				
9	Law Union & Rock Insurance Plc	2007	262,500	7.529257	14.53	16	14.06
		2008	367500	10.54096	9.26	9	14.69
		2009	880,000	25.24094	-2.38	-3	-2.34
		2010	498,000	14.28408	7.74	9	9.96
		2011	423,400	12.14433	8.06	11	9.49
		2012	0	0	3.6	4	4.04
		2013	730,000	20.9385	-33.8	-39	-28.6
		2014	165,000	4.732676	11.02	14	13.35
		2015	120,000	3.441946	6.21	4	6.24
		2016	40,000	1.147315	7.36	8	8.51
	TOTAL		3,486,400				

S/N	NAME OF COMPANIES	YEAR	AMT ON CSR	%	ROCE	EPS	NPM
	10 Sovereign Trust Insurance Plc	2007	890,760	5.424597	16.88	10.42	18.92
		2008	487,500	2.968803	11.72	8.25	16.39
		2009	1,550,000	9.439271	8.95	6.93	13.05
		2010	3,236,000	19.70676	0.37	0.08	0.29
		2011	820,000	4.993679	11.09	5.93	8.73
		2012	1,220,000	7.42962	15.55	10.25	12.45
		2013	1,896,500	11.5494	18.62	11.56	13.45
		2014	2,400,000	14.61565	24.62	12.48	9.89
		2015	1,470,000	8.952083	7.83	4.74	4.47
		2016	2,450,000	14.92014	11.58	5.82	8.16
	TOTAL		16,420,760				
11	Prestige Assurance Plc	2007	0	0	12.41	41.91	39.01
		2008	0	0	19.25	39.48	39.87
		2009	0	0	22.88	33.1	33.24
		2010	0	0	20.1	27.58	25.34
		2011	0	0	17.47	22.68	21.44
		2012	0	0	8.85	10.2	9.82
		2013	0	0	22.49	24.04	18.15
		2014	350,000	100	2.88	-3.62	2.69
		2015	0	0	3.56	13.56	18.23
		2016	0	0	4.22	16.45	15.45
	TOTAL		350,000		.		
12	Royal Exchange Assurance Plc	2007	780,560	4.55457	1.19	0.11	-1.78
		2008	630,000	3.676052	5.69	0.16	25.32
		2009	200,000	1.167001	-25.29	-0.66	-46.43
		2010	456,890	2.665955	-1.45	0.04	-3.14
		2011	100,000	0.5835	1.71	0.06	4.39
		2012	1,500,000	8.752505	10.31	0.13	18.34
		2013	100,000	0.5835	9.09	0.12	9.76
		2014	4,900,000	28.59152	9.17	0.16	9.11
		2015	3,566,000	20.80762	3.52	0.3	3.19
		2016	4,904,500	28.61778	3.89	0.8	3.53
	TOTAL		17,137,950				

S/N	NAME OF COMPANIES	YEAR	AMT ON CSR	%	ROCE	EPS	NPM
13	Cornerstone Insurance Plc	2007	370,000	11.80227	7.81	4.1	12.95
		2008	470,000	14.99207	5.85	0.7	13.92
		2009	72,000	2.296658	11.94	-0.5	17.8
		2010	245,700	7.837346	-8.72	-0.5	-12.98
		2011	450,890	14.3825	4.74	5	12
		2012	550,000	17.54392	1.77	2	2.56
		2013	496,400	15.83418	9.02	5.82	11.77
		2014	100,000	3.189803	12.6	9.81	16.37
		2015	360,000	11.48329	13.37	10	19.9
		2016	20,000	0.637961	15.26	11	25.13
	TOTAL		3,134,990				
14	Lasaco Assurance Plc	2007	0	0	14.86	13	14.07
		2008	0	0	14.14	9	46.83
		2009	8,104,500	14.44283	10.14	6.35	26.12
		2010	3,832,900	6.830517	10.87	7	19.95
		2011	2,787,500	4.967535	5.07	3	15.77
		2012	17,520,529	31.2229	7.29	2	17.71
		2013	1,000,000	1.782075	24.39	-3	30.76
		2014	350,000	0.623726	3.07	4	8.31
		2015	12,250,000	21.83042	8.19	6	9.33
		2016	10,268,920	18.29999	9.24	7	10.12
	TOTAL		56,114,349				
15	Allco Insurance American Inter. Plc	2007	545,000	3.703375	9.51	13	10.21
		2008	315,000	2.140483	-2.96	-5	-3.99
		2009	695,000	4.722652	12.56	23	21.04
		2010	3,380,000	22.96772	6.52	14.24	9.51
		2011	590,000	4.009158	8.77	12.7	8.22
		2012	385,000	2.616145	14.82	19.23	8.22
		2013	340,000	2.310362	18.32	18.84	9.79
		2014	1,646,307	11.18696	-12.38	-11.55	-5.42
		2015	5,670,000	38.52869	28.6	31.38	9.73
		2016	1,150,000	7.814461	19.19	18	5.46
	TOTAL		14,716,307				

S/N	NAME OF COMPANIES	YEAR	AMT ON CSR	%	ROCE	EPS	NPM
16	Regency Alliance Insurance Plc	2007	540,260	5.483504	13.57	10	42.89
		2008	125,000	1.268719	7.08	11	23.18
		2009	530,000	5.379367	7.61	5.16	26.15
		2010	1,240,000	12.58569	-1	-1.03	-2.83
		2011	1,650,000	16.74709	10.02	3.4	9.23
		2012	600,000	6.08985	14.06	-0.12	18.15
		2013	700,000	7.104825	21.11	6.6	25.73
		2014	1,697,200	17.22615	20.84	7.1	21.45
		2015	1,720,000	17.45757	11.91	6.58	11.71
		2016	1,050,000	10.65724	12.57	5.59	13.23
	TOTAL		9,852,460				
17	Mansard Insurance Plc	2007	1,560,850	5.249838	20	0.6	35.94
		2008	1,200,000	4.036138	17.47	0.9	53.37
		2009	189,500	0.637373	15.97	0.33	48.29
		2010	450,000	1.513552	10.39	0.4	24.4
		2011	1,045,920	3.517897	9.09	0.5	35.16
		2012	1,275,000	4.288396	9.04	0.1	12.55
		2013	2,558,337	8.604833	15.11	0.14	17.51
		2014	5,834,706	19.62473	13.95	19.03	14.64
		2015	6,749,858	22.7028	13.25	10.74	11.58
		2016	8,867,224	29.82445	10.31	11.81	12.2
	TOTAL		29,731,395				
18	Guinea Insurance Plc	2007	0	0	10.27	0.12	16.93
		2008	0	0	3.77	2	50.82
		2009	0	0	1.89	1.48	6.76
		2010	0	0	0.46	-0.26	1.68
		2011	0	0	-3	-0.08	-6.65
		2012	0	0	16.47	-12.53	-39.44
		2013	0	0	6.86	0.9	15.44
		2014	0	0	10.06	0.7	27.59
		2015	0	0	-0.49	-1.4	-1.31
		2016	0	0	15.41	0.3	11.32
	TOTAL						

S/N	NAME OF COMPANIES	YEAR	AMT ON CSR	%	ROCE	EPS	NPM
19	Wapic Insurance Plc	2007	1,408,500	7.847719	9.91	0.7	29.25
		2008	2,202,500	12.27164	9.06	0.13	48.57
		2009	2,589,610	14.42849	-0.17	0.4	-0.2
		2010	3,550,000	19.77948	7.16	0.4	-12.19
		2011	654,100	3.64444	3.59	-0.12	7.36
		2012	3,586,200	19.98118	6.66	0.6	10.03
		2013	965,730	5.380744	7.24	8	13.22
		2014	1,000,000	5.571686	-4.5	-2	-16.72
		2015	850,690	4.739777	0.41	1.77	1.12
		2016	1,140,560	6.354842	11.14	0.1	23.48
	TOTAL		17,947,890				
20	Unity Kapital Assurance Plc	2007	0	0	3.58	0.8	22.31
		2008	0	0	2.56	0.5	20.48
		2009	0	0	2.36	1	21.31
		2010	0	0	4.08	0.9	30.04
		2011	0	0	0.08	-1.46	0.69
		2012	0	0	6.1	3.18	27.47
		2013	0	0	5.18	2.29	17.28
		2014	0	0	2.46	2	7.66
		2015	0	0	1.45	1	5.61
		2016	1,430,000	100	3.86	5	15.31
	TOTAL		1,430,000				
21	Mutual Benefits Assurance Plc	2007	350,000	0.699381	18.39	37	40.07
		2008	850,560	1.699615	13.66	13	55.11
		2009	3,458,000	6.909881	-21.32	-19	-41.57
		2010	2,259,000	4.514002	8.92	3	7.61
		2011	6,259,000	12.50692	17.66	10	13.23
		2012	7,169,000	14.32531	15.54	7	16.59
		2013	10,151,175	20.28439	42.58	6.97	11.86
		2014	9,191,894	18.36752	20.92	7.19	13.18
		2015	6,981,150	13.94995	76.96	53	32.23
		2016	3,374,500	6.743029	15.87	10	8.18
	TOTAL		50,044,279				

S/N	NAME OF COMPANIES	YEAR	AMT ON CSR	%	ROCE	EPS	NPM
22	Equity Assurance plc	2007	150,000	3.591017	16.81	11	24.76
		2008	669,440	16.02647	9.48	6	32.88
		2009	283,400	6.784628	1.07	1	2.89
		2010	100,000	2.394011	6.58	1	16.34
		2011	608,700	14.57235	1.21	0.3	3.33
		2012	325,000	7.780536	-0.58	-1.03	-1.65
		2013	250,000	5.985028	5.77	1.7	6.26
		2014	250,000	5.985028	-9.47	-5.7	-7.9
		2015	650,000	15.56107	7.77	1.8	6.41
		2016	890,550	21.31987	8.56	1.9	7.5
	TOTAL		4,177,090				
23	Unic Insurance plc	2007	0	0	54.71	10	16.98
		2008	250,000	26.31579	80.71	17	24.5
		2009	350,000	36.84211	4.97	9	17.8
		2010	350,000	36.84211	-12.29	-21	-36.38
		2011	0	0	-35.9	-40	-58.89
		2012	0	0	0.8	2	1.67
		2013	0	0	-12.12	-14	-13.14
		2014	0	0	0.4	1	1.89
		2015	0	0	2.2	3	1.68
		2016	0	0	4.5	2	2.36
	TOTAL		950,000				
24	International Energy Insurance plc	2007	100,000	0.050894	9.36	9	44.84
		2008	2,096,000	1.066734	8.02	22.9	72.56
		2009	6,509,870	3.31312	6.59	23.3	47.21
		2010	95,841,734	48.7775	-56.18	-57	-94
		2011	39,400,000	20.05216	-2.03	-4	-3.38
		2012	44,200,000	22.49506	-12.5	-75	-88.23
		2013	7,450,000	3.791588	-11.67	-6.34	-5
		2014	700,000	0.356257	15.29	5.17	0.9
		2015	110,000	0.055983	-21.42	-55	-38.73
		2016	80,000	0.040715	-8.79	-169	-18.45
	TOTAL		196,487,604				

S/N	NAME OF COMPANIES	YEAR	AMT ON CSR	%	ROCE	EPS	NPM
25	NPF Micro Finance Bank plc	2007	0	0	0	0	0
		2008	0	0	0	0	0
		2009	0	0	0	0	0
		2010	0	0	0	0	0
		2011	0	0	7.05	0.08	40.36
		2012	395,000	1.432215	5.67	0.06	23.87
		2013	2,415,000	8.756453	17.8	0.23	64.93
		2014	16,776,160	60.82802	13.07	17.11	38.58
		2015	5,583,500	20.24499	15.13	0.21	42.11
		2016	2,410,000	8.738324	16.2	0.23	38.35
			27,579,660				

Source: Annual Reports 2007-2016