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THE IMPACT OF FIRM AGE ON INDEPENDENT AUDIT COMMITTEE AND VOLUNTARY DISCLOSURE QUALITY

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ABSTRACT

Purpose: This research explores to what extent Independent Audit Committees impact Voluntary Disclosure and studies whether a firm's age moderates this relationship in developing economies.

Design/Methodology/Approach: The research employs a longitudinal approach, examining data from 2009 to 2021. The Durbin-Wu-Hausman test was used to assess the existence of endogeneity in the regression model, and a multicollinearity test was conducted to evaluate the level of correlation between independent variables in regression models to ensure the validity and stability of the results.

Findings: The regression analysis demonstrates a positive and significant relationship between the existence of Independent Audit Committees (IAC) and Voluntary Disclosure (VD). However, the study outcome showed that the interlinkage term between IAC and a firm's age was not statistically significant, implying that firm age immaterially alters the importance of audit committees in voluntary disclosure practices.

Research Limitation: The study focused only on three African countries. Future research might look at other African countries

Practical Implication: The study highlights the important function of IACs in improving transparency and promoting trust in financial reporting, particularly in markets with less regulatory oversight. Understanding factors that increase a company’s disclosure is crucial for the success of the global market and economy.

Social Implication: This research's findings will support transparency in reporting, reduce information asymmetry, increase sustainability reporting, and increase investors' confidence in a company’s financial and social reporting.

Originality/ Value: The research's novelty is bridging the gap in the literature by studying the influence of firm age on voluntary disclosure.

Keywords: *Developing economies. firm age. independent audit committee. voluntary disclosure. Sub-Saharan Africa*

INTRODUCTION

During a time characterised by globalisation and rapid integration of markets, developing economies are gaining more and more influence on global platforms. These economies exhibit rapid growth, thriving industrial sectors, and significant market opportunities. Despite the positive characteristics mentioned, emerging economies frequently struggle with guaranteeing

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transparency and dependability in financial reporting (Pamungkas et al., 2021; Sabrina et al., 2023).

Kabeyi (2020) posit that financial reporting must be honest and dependable, and corporate governance processes make this possible. Important among these corporate governance mechanisms are independent audit committees. The main responsibilities of these committees are their ability to superintend the accuracy of the financial reporting procedures and corroborate compliance with legal and regulatory obligations (Lajmi & Yab, 2022; Soltani Nejad et al., 2020). This committee also oversees the independent audit of financial statements. In developing economies, where regulatory supervision is less rigorous (Wang & Wei, 2020), the function of the IAC becomes important in closing the lack of confidence between shareholders and management (Amanamah, 2024).

IACs play an important part in improving corporate transparency and accountability by ensuring the accuracy and verifiability of financial disclosures. According to Harber and Maroun (2020), investor bases in emerging economies are quickly becoming more diverse and are looking for reassurance regarding the reliability of financial information. The effectiveness of these committees becomes important, and their contribution to improving the calibre and dependability of financial disclosures directly impacts investment choices and the overall stability of the market (Al Lawati & Hussainey, 2021; Cohen et al., 2022).

Recent events in emerging African economies highlighted the urgent need for strong corporate governance and emphasised the difficulties in achieving transparent financial reporting. The occurrence of multiple bank failures in Ghana in 2018, caused by governance failures and mismanagement, led to a thorough reassessment of regulatory practices and the implementation of more stringent governance codes in the banking institutions (Abor et al., 2022; Agyenim-Boateng et al., 2020; Torku & Laryea, 2021).

In Nigeria, the situation involving Oando PLC, a major player in the energy sector, gained attention due to irregularities in financial statements and disclosures, resulting in a significant crisis in 2019 (Arumona et al., 2020; Asikhia et al., 2023; Dembo, 2021; Uthman, 2021). The Nigerian Securities and Exchange Commission intervened and enforced an audit, which uncovered significant shortcomings in governance (Asikhia et al., 2023). This event undermined investor trust and emphasised the immediate necessity for strong Independent Audit Committees. This is because it can guarantee compliance with rigorous disclosure requirements and uphold the credibility of financial reporting.

Moreover, in South Africa, corporate scandals such as the Steinhoff case have highlighted the significance of a company's longevity and established governance structures in upholding corporate transparency (Gudo, 2021; Ramalepe, 2021). Steinhoff, a long-standing company, demonstrated that even established firms can have significant governance shortcomings through their lack of financial disclosures and governance. Consequently, the company and the broader South African market experienced extensive financial consequences, significantly impacting investor confidence and trust (Gudo, 2021; Murimbika, 2023). Therefore, these occurrences demonstrated how flaws in governance can result in substantial financial instability and a decline in investor trust (Abor et al., 2022; Dembo, 2021; Ramalepe, 2021).

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Consequently, this compels regulatory authorities to enhance supervision and demand more thorough disclosure practices. Furthermore, according to Abor et al. (2022), these events emphasise the persistent difficulties in adjusting governance practices to the actualities of developing economies. This is where the effects of governance flaws can be particularly significant and harmful (Murimbika, 2023; Ramalepe, 2021). Additionally, disclosing voluntary non-financial and financial information to stakeholders, which goes beyond what is legally required, is a significant aspect of financial reporting.

Voluntary Disclosure, as defined by Doni et al. (2020), is the act of providing stakeholders with supplementary non-financial and financial information that is not legally required. This form of disclosure includes forward-looking statements, managerial analysis, and comprehensive breakdowns of financial data that exceed the minimum requirements for reporting (De Luca, 2020; Hoffmann et al., 2018). Voluntary disclosure is of the utmost importance for firms in emerging economies as it helps them build trust and attract investment by reducing information asymmetry.

The extent and excellence of these revelations impact companies' standing and capacity to obtain funding on advantageous conditions. Moreover, Tatoglu et al. (2020) posit that voluntary practices hold great importance in emerging economies where regulatory frameworks are still developing. They not only enhance the legally required disclosures but also establish confidence among investors who may otherwise be cautious about the lack of transparency in the market (Salem et al., 2021; Khan et al., 2021;). However, the effectiveness of these governance mechanisms does not function independently.

Firm-specific characteristics, including the age of a firm, significantly influence governance outcomes (Farooq et al., 2022; Hasnan et al., 2020). Ananzeh et al. (2022) indicate that firm age explores the influence of an organisation's maturity on its governance practices and disclosure habits. Generally, older companies possess well-established procedures and possibly adopt more cautious strategies when it comes to sharing information, as they have developed systematic approaches over the years (Farooq et al., 2022).

Conversely, younger companies choose to implement more assertive or inventive methods of sharing information to compete and distinguish themselves in markets already filled with competitors (Ananzeh et al., 2022). An analysis of firm age can provide insights into the extent to which established corporate practices influence transparency and the effectiveness of governance, especially in emerging markets (Suherman et al., 2023). For example, in South Africa, Fouché and Uys (2023) indicate that older companies with well-established governance structures have different disclosure practices approaches than younger, potentially more flexible ones.

The regulatory framework also has an impact, as evidenced by Nigeria's recent revisions to its corporate governance codes designed to enhance the responsibility of audit committees (Ozili, 2020).Various factors, including firm age and regulatory frameworks, shape emerging economies' financial reporting and corporate governance environments. Therefore, it is important to understand the interaction among these factors to improve financial transparency

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and promote stable economic conditions in regions ready for growth increases and merging with global institutions.

The concentration of the research that is currently available on developed economies presents the biggest obstacle to knowing how successful corporate governance is (Abbas et al., 2021; Dwekat et al., 2020). These perspectives fail to consider the distinct circumstances of developing economies, which are not only for maintaining global economic stability but also demonstrate significant diversity in terms of economic, cultural, and regulatory structures (Alyousef & Alsughayer, 2021; Salehi et al., 2023). The generalisation of conclusions from developed and emerging markets disregards these economies' unique obstacles. Significant challenges in developing economies include underdeveloped financial systems, inconsistent regulatory enforcement, and heterogeneous corporate governance traditions (Mertzanis et al., 2023).

Furthermore, emerging markets are frequently regarded as a uniform collective, disregarding their substantial differences. For example, although Ghana, Nigeria, and South Africa are categorised as emerging markets, they each possess distinct attributes in terms of market development, regulatory framework, and governance criteria (Assfaw & Sharma, 2024; Atugeba & Acquah-Sam, 2024). These variations significantly act on the execution, effectiveness and efficiency of corporate governance mechanisms, such as IACs, which are created to supervise and improve the transparency of financial reporting (Mertzanis et al., 2023). Furthermore, the influence of specific attributes unique to a company, such as its age, on the functionality and effectiveness of IACs has not been thoroughly investigated.

Simsek et al. (2024) state that older firms possess well-established governance structures that impact their attitude towards transparency and the utilisation of voluntary disclosures. This differs from younger firms that are still in the process of developing their governance frameworks (Juliao-Rossi et al., 2023). Therefore, it is important to recognise the significance of a firm's age in influencing the relationship between corporate governance and disclosure. This understanding helps to understand how these practices develop throughout a firm's lifespan and adjust to the ever-changing stakeholders' and regulatory authorities' expectations. The absence of this information in the literature results in a gap in understanding. It limits the usefulness of current governance frameworks in effectively tackling the distinct challenges firms face at various stages of development in these diverse markets.

The findings of this research give valuable knowledge to policymakers in developing countries regarding the varying impact of firms of different ages on corporate governance mechanisms. This led to implementing more customised regulatory strategies that enhance market transparency and investor confidence. Furthermore, understanding the relationship between the age of a company and its governance practices in influencing disclosure can improve decision-making, especially when developing strategies for corporate disclosure that align with the company's maturity. This study was designed to investigate the influence of the Independent Audit Committee on Voluntary Disclosure in developing economies. Additionally, it aims to explore how Firm Age moderates the relationship between the Independent Audit Committee and companies' Voluntary Disclosure.

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LITERATURE REVIEW

Conceptual Review

Independent Audit Committees (IAC)

An Independent Audit Committee (IAC) is an angle of corporate governance mainly consisting of non-executive directors not influenced or manipulated by management (Khandelwal et al., 2020; Toumeh et al., 2023). The ultimate responsibilities of this entity are regulating the financial reporting procedures, monitoring the selection and implementation of accounting policies, overseeing the internal control systems, managing recruitment and impartiality of external auditors (Abbas et al., 2021; Al Lawati & Hussainey, 2021). According to Toumeh et al. (2023). This committee's autonomy is paramount because it helps reduce conflicts of interest and strengthens the reliability of financial reports.

The Sarbanes-Oxley Act of 2002, a legislation that has a considerable impact on contemporary corporate governance procedures, states that the independent audit committee has an essential duty to guarantee the honesty in publicly revealed financial information (Obeng-Nyarko, 2023). The effectiveness of IACs is relevant in developing countries because they directly impact investor confidence and market stability in contexts that are riskier owing to less strict regulations and probable political instability (Ahmed et al., 2022; Bonnitcha & Williams, 2024).

Voluntary Disclosure (VD)

Voluntary disclosure is the act of firms revealing supplementary non-financial and financial information which are not specifically mandated by legislation or corporate authorities (Doni et al., 2020; Hoffmann et al., 2018).This approach involves disseminating more comprehensive explanations of financial outcomes, risks, and prospects above the minimum requirements set by mandated disclosure regulations.

Voluntary disclosure is influenced by several elements, including the aim to reduce information imbalance between the firm and its stakeholders, enhance corporate transparency, and foster investor trust (Dembo, 2021). Oluwagbemiga (2014) indicate that Voluntary disclosure suggests that more transparency can result in reduced capital costs and increased corporate value. Thus, voluntary disclosure becomes more significant in emerging nations as companies strive to attract investment by showcasing openness and accountability, especially when official legislation may not enforce strict reporting requirements.

Firm Age (FA)

The term firm age describes the amount of time that has passed since a corporation was founded (Ali et al., 2020). According to Mbonu and Amahalu (2021), firm age is a concept employed in research to examine and deduce the level of development of a company's processes, strategies, and structures. It is commonly assumed that older companies have well-established procedures, stronger financial management, and better trustworthiness among investors and other stakeholders because of their lengthy history (Farooq et al., 2022). Also, it is assumed that emerging businesses demonstrate greater adaptability and originality, but they encounter

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difficulties in building trust and securing funding because of their short history (Ananzeh et al., 2022; Suherman et al., 2023). The importance of the age of a company in corporate governance resides in its possible influence on strategic decisions, such as risk management and transparency policies (Farooq et al., 2022).

The age of an organisation impacts its strategic orientation. Older firms value stability and risk aversion, whereas younger firms are more inclined to adopt aggressive growth plans and engage in risk-taking activities. Understanding a company's age and its impact is especially key in up-and-coming markets since companies of different ages play varied roles in economic dynamics and encounter unique obstacles in governance and compliance (Farooq et al., 2022; Mbonu & Amahalu, 2021).

Theoretical Review

Stakeholder Theory

The Stakeholders Theory, developed by Freeman (1994), brought about a significant transformation in the perspective of organisations towards their operations. It highlights the importance of a broader sense of responsibility that goes beyond the conventional focus on shareholders (Freeman et al., 2010).

The Stakeholders Theory posits that organisations, both profit and non-profit, are interconnected entities that have an impact on and are influenced by several parties with vested interests beyond merely their shareholders (Freeman et al., 2020). These stakeholders, such as workers, customers, suppliers, communities, and the environment, significantly influence the business's performance and long-term viability.

According to Maama and Mkhize (2020) argued that the stakeholder theory explains the rationale behind corporations' decisions to go beyond obligatory financial reporting by participating in voluntary disclosure to project corporate transparency. The Stakeholders Theory asserts that by openly disclosing more information, organisations effectively handle a wider range of issues from stakeholders (Suharsono et al., 2020). These concerns include financial well-being, operational reliability, environmental influence, and community involvement. Thus, enhancing transparency meets ethical responsibilities, builds trust, and deepens connections with important stakeholder groups (Maama & Mkhize, 2020)These approaches are especially advantageous in developing markets, where companies typically face greater scrutiny about their operational processes and governance requirements.

Within emerging economies, companies that actively participate in voluntary disclosure distinguish themselves as leaders in terms of openness and ethical governance (Gatignon & Capron, 2023). For example, in industries with important environmental issues, choosing to reveal sustainable practices appeals to environmentally conscious investors and customers. Thus, not only following regulatory requirements but also gaining a competitive edge.

Moreover, Stakeholder Theory advocates for the idea that voluntary disclosures may be utilised as a strategic instrument to handle stakeholder perceptions and expectations effectively (Nishitani et al., 2021). Emeka-Okoli et al. (2024) indicate that through transparent

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communication on difficulties, tactics, and practical knowledge, companies reduce negative responses during crises and improve their market value and reputation.

This is particularly significant in markets where investor trust is delicate and where strong, voluntary disclosures indicate corporate resilience and dependability. Therefore, this study uses Stakeholder Theory to analyse the factors influencing the adoption of voluntary disclosure practices by enterprises in emerging economies. These disclosures are not only reactive measures to external demands but deliberate choices to actively include a wide range of stakeholders whose backing is essential for long-term success. Therefore, companies are inclined to use voluntary disclosure to cultivate a favourable corporate reputation, promote investor trust, and establish a viable business framework that recognises the interdependence of all stakeholders in the contemporary global economy.

Resource Dependency Theory

Salancik and Pfeffer (1978) formulated a theory that helps to understand the interaction between organisations and their external environment. The theory is known as ‘The Resource Dependency Theory’. This theory offers a valuable perspective for understanding the interactions between companies and the outside environment in which they function. The theory emphasises that an organisation’s strategic choices and operational strategies are influenced by its capacity to access and manage external resources (Jiang et al., 2023).

This theoretical approach is especially relevant for studying the impact of the business age on corporate governance and disclosure procedures, as older and younger organisations use their resources in distinct ways (Freeman et al., 2021). Thus, due to their extensive operating experience, established companies typically possess well-developed networks and have more stable access to vital resources such as funding, a highly qualified workforce, and strategic alliances (Tashman, 2021). These resources provide stability and protection to these businesses, reducing the necessity for sudden or drastic changes in disclosure policies. As a result, these companies choose to use more cautious strategies when sharing information voluntarily. They rely on their already-established reputation and stability to keep the confidence of stakeholders (Tashman, 2021).

Such companies' governance structures frequently demonstrate a consistent commitment to established techniques rather than embracing new or riskier ideas, as seen by their conventional reporting and communication channels (Cordeiro et al., 2020). In contrast, newer companies, defined by their recent establishment in the market, sometimes encounter substantial difficulties in obtaining comparable resources (Tashman, 2021). Their ability to attract finance, talent, and other necessary resources is important for their survival and growth. Moreover, Ali et al. (2023) indicate that the Resource Dependency Theory posits that corporations strategically employ aggressive voluntary disclosure to gain a competitive advantage.

Younger organisations strive to establish credibility and recruit resources by freely sharing their plans, performance data, and market prospects, which they now lack (Murayr, 2023). Implementing proactive disclosure methods helps minimise ambiguity regarding their potential and effectively communicate their development prospects to potential investors, partners, and other stakeholders.

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In developing economies, where market structures are less stable and more vulnerable to sudden shifts, the consequences of Resource Dependency Theory become even more obvious. These economies frequently pose distinctive difficulties and possibilities, which impact how companies of varying ages tackle obtaining and managing resources. For instance, in some economies, the legal frameworks and institutional supports may be changing, and access to international capital may be either more competitive or restricted (Lashitew, 2021).

Understanding how company age, resource dependence, and voluntary disclosure procedures interact in these situations provides vital insights into the strategic actions of companies as they traverse difficult and frequently uncertain environments. This emphasises the significance of considering the impact of external factors on internal decision-making and showcases the complex methods through which companies use corporate governance procedures to ensure their survival and prosperity in the global market.

Empirical Review and Hypothesis Development

Independent Audit Committee and Voluntary Disclosure

The empirical data on Independent Audit Committees (IACs) in improving voluntary disclosure highlights the immense impact that these governance institutions can exert on corporate transparency and accountability. Studies repeatedly show that a competent IAC is vital to producing accurate and reliable financial reports. Studies were undertaken by Abbas et al. (2021) and Al-Shaer et al. (2022) revealed that these committees have an important function in improving the transparency of financial disclosures.

The Audit Committees achieved this by thoroughly examining and challenging the financial statements issued by management. This oversight is essential in guaranteeing that the information disclosed to the public, as well as investors, is both precise and comprehensive, without any influence from management that might potentially distort stakeholders' understanding and decision-making (Alyousef & Alsughayer, 2021; Salehi et al., 2023).

Furthermore, empirical research has expanded these discoveries to different worldwide settings, strengthening the idea that independent audit committees are important when there may be a lack of legal and regulatory supervision. Nakajima and Inaba (2022) conducted a study to assess the influence of IACs on voluntary disclosure in markets with less regulation. Their findings revealed a strong correlation between IACs and Voluntary Disclosure. Nakajima and Inaba's (2022) research indicates that where there are no strict legislative obligations, audit committees successfully function as internal regulators, ensuring that companies achieve or exceed minimum disclosure criteria to uphold market trust and attract investment.

IACs improve fundamental adherence and understanding and augment the extent and scope of the given information (Jaggi, 2020; See et al., 2020). Moreover, studies suggest that companies with stronger audit committees are more inclined to provide comprehensive voluntary disclosures (Altawalbeh, 2020; Alyousef & Alsughayer, 2021). Thus, stakeholders who depend on detailed data to make informed decisions find this wider range of disclosure essential. The effectiveness of IACs in facilitating voluntary disclosure might be ascribed to many variables, and the independence of these committees from company management is also important.

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Independent members are less susceptible to encountering conflicts of interest that might jeopardise the thorough examination of the reports generated by management. Moreover, the regularity and comprehensiveness of audit committee sessions significantly enhance their efficiency (Komal et al., 2022). Thus, regular and thorough evaluations of financial reports and disclosure methods allow these committees to continuously monitor and promptly address emerging difficulties, which is particularly important in dynamic and fast-evolving market conditions.

Empirical research further supports the concept that the cultural and institutional environment of a country shape the functioning of audit committees and their influence on disclosure practices (Al Lawati & Hussainey, 2021; Eltweri et al., 2021).

In developing countries, where familial relationships and concentrated ownership strongly influence the corporate environment, ensuring the independence of audit committees can be challenging but extremely important. In these circumstances, the audit committee's responsibility to prevent nepotism and ensure fair treatment of all shareholders becomes even more important.

In summary, the available empirical evidence strongly supports the notion that having independent audit committees is important for maintaining high levels of voluntary disclosure. This, in turn, improves corporate governance and promotes a favourable investment environment, particularly in emerging markets where external regulations may be less impactful. This study emphasises the importance of continuous activities to enhance these committees by implementing policies encouraging autonomy and proficiency, guaranteeing their capacity to successfully carry out their function as foundations of corporate transparency and responsibility. Thus, it is hypothesised that;

H_1: Independent Audit Committee positively and significantly impact Voluntary Disclosure

Firm Age, Independent Audit Committee and Voluntary Disclosure

Empirical studies have also focused on the impact of the age of a firm on the connection between voluntary disclosure and independent audit committees. However, this aspect has received less attention than audit committees' direct effects on disclosure. According to Farooq et al. (2022), older organisations, characterised by their well-established reputations and deeply ingrained management procedures, may not exhibit the same level of increased transparency in their disclosures in response to audit committee operations compared to younger firms. Researchers such as Fahad and Rahman (2020) performed empirical studies to investigate the effect of a company's number of years on corporate behaviour, specifically on disclosure policies. Due to their established procedures and trustworthiness, the findings indicate that older companies perceive less of a need for comprehensive voluntary disclosure. However, having an active and independent audit committee can still improve transparency for companies of all ages (ElHawary, 2021).

Nevertheless, Hasnan et al. (2020) discovered that the influence is more noticeable in newer companies. The authors revealed that younger firms greatly enhance their disclosure practices in reaction to the governance structures facilitated by audit committees. These firms are

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frequently more driven to establish credibility and attract investment (Merter & Özer, 2024)In developing economies, where the organisation's structures and the business environment might differ significantly, the duration of the company's existence may have distinct interactions with corporate governance standards.

In research done by Qaderi et al. (2020), it was shown that younger firms had a greater increase in voluntary disclosure rates after improvements in audit committee independence than older firms. This discovery indicates that in developing economies, where establishing confidence with investors is key for newly established companies, efficient audit committees strongly influence companies' level of excellence through improved disclosures. These empirical evaluations emphasise the complex and important function of the IAC in shaping voluntary disclosure procedures. The committee's impact can be affected by the age of the business, especially in the diverse and ever-changing environments of developing economies. Thus, it is hypothesised that;

H_2: Firm Age positively moderates Independent Audits Committees and Voluntary Disclosures

Conceptual Framework

This conceptual framework shows the relationships between the independent, dependent, and moderating variables. From the framework, the Independent Audit Committee is the independent variable, whereas Voluntary Disclosure is the dependent variable. Firm Age moderates the relationship between Independent Audit Committees and Voluntary Disclosure.

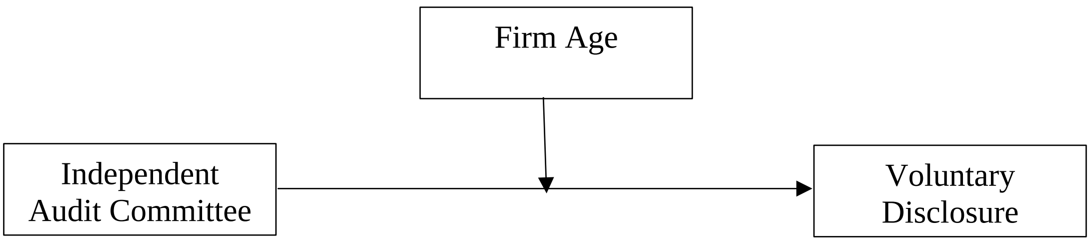

Figure 1: Conceptual Framework for the Study
(Source: Author, 2024)

METHODOLOGY

Research Design

The research utilised a quantitative research approach to examine the relationships among Independent Audit Committees, Voluntary Disclosure, and how the age of a company moderates these variables in emerging economies. It employs a longitudinal approach, examining data from 2009 to 2021. This enables a thorough investigation of long-term patterns and alterations (Nicolau et al., 2020). This method is appropriate for capturing the development

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of corporate governance structures and their effectiveness in improving transparency in financial reporting.

The longitudinal characteristics of this research are important because they allow for the observation of how the practices and impacts of Independent Audit Committees change in response to changing economic landscapes and regulatory frameworks in emerging markets. The study evaluates audit committees' stability and enduring implications for voluntary disclosure practices by analysing data from several years. It also considers how the age of the organisation may influence these relationships.

The study used advanced statistical approaches to analyse panel data to provide empirical insights on the effectiveness of Audit Committees and the extent to which companies' age influences disclosure practices. This approach not only improves the understanding of corporate governance in emerging markets but also adds to the general discussion on how to modify governance structures to suit the specific requirements of various economic situations and stages of business growth (Samii, 2016).

Sample and Sampling Techniques

The study adopts a purposive sampling technique, which was deliberately selected to ensure that the sample represents an extensive variety of industries in emerging economies (Obilor, 2023). According to Suen et al. (2014), this approach entails purposefully choosing particular entities based on the researcher's discretion and the specific goals of the research. The selection criterion for this research was influenced by the accessibility to a comprehensive annual report from 2009 to 2021. This requirement ensures that each chosen company possesses a reliable and continuous history of financial disclosure throughout the specified timeframe. The study enhances its findings' reliability and validity by selecting organisations with a complete set of annual reports, so minimising potential biases that could result from partial data.

Moreover, this approach facilitates the incorporation of companies from diverse sectors. Purposive sampling guarantees that the study includes a representative sample of firms that are actively fulfilling their reporting duties, indicating a certain level of governance and openness (Obilor, 2023)This sampling technique not only enhances a thorough comprehension of the corporate governance environment in developing economies but also strengthens the study's applicability. This resulted in a firm-year observation of 1950.

Data Collection

Strategies adopted in collecting data for the research included a thorough and systematic extraction of information from selected companies' annual reports. The researcher collected the annual reports from a public directory or the company's website. These two sources allowed data to be collected on many companies in the three countries. Specific information regarding the Independent Audit Committees was gathered from each annual report.

In the same manner, information regarding Voluntary Disclosure practices was systematically collected. This included financial disclosures, such as expanded information on financial performance and risks, and non-financial disclosures, including sustainability reports and

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company social responsibility efforts. The scope and characteristics of these disclosures were documented to evaluate the firms' level of communication beyond the obligatory reporting obligations. In addition, the age of each organisation was determined based on the date of incorporation. This analytical approach to data collecting provided a thorough examination of the relationship between voluntary disclosure practices and corporate governance mechanisms being proxied by audit committee characteristics. It establishes a strong basis for concluding the effectiveness of governance structures in emerging markets.

Variable Measurement

The variables and their measurement are presented in this section. The variables include (1) an Independent Audit Committee, (2) Voluntary Disclosure, (3) Firm Age and the control variables: firm size, ROA and financial leverage.

Table 1: Research Variables and Instrument of Measurement

Variables	Variable Type	Instrument of Measurement	Source
Independent Audit Committee	Independent Variable	The ratio of independent directors over the audit committees	(Chijoke-Mgbame et al., 2020; Elmagrhi et al., 2017)
Voluntary Disclosure	Dependent Variable	The sum of voluntary compliances made divided by the number of expected voluntary compliances to be made	(Chen et al., 2016; Oluwagbemiga, 2014)
Firm Age	Moderating Variable	Total years the company has been in operation	(Pouraghajan et al., 2012; Too & Simiyu, 2018)
Firm Size	Control Variables	Natural Log of Total Assets	(S. A. Ali et al., 2020; Ayuba et al., 2019; Bei & Wijewardana, 2012; Ibrahim & Isiaka, 2020)
ROA	Control Variables	Net Income ÷Total Assets	(S. A. Ali et al., 2020; Ayuba et al., 2019; Bei & Wijewardana, 2012; Ibrahim & Isiaka, 2020)
Financial Leverage	Control Variables	Total Debt ÷Total Equity	(S. A. Ali et al., 2020; Ayuba et al., 2019; Bei & Wijewardana, 2012; Ibrahim & Isiaka, 2020)

Source: Author, 2024.

Independent Variable: Independent Audit Committee (IAC)

The IAC measurement depends on the proportion of independent directors serving on the committee. This percentage is a well-acknowledged measure of the audit committee's autonomy and efficiency. Independent directors are those who, in addition to receiving director's compensation, do not have any significant financial relationship with the company that could compromise their independence. Having more independent directors is considered to improve the committee's capacity to operate autonomously from management, strengthening the effectiveness of monitoring financial reporting and compliance issues. This variable is

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important because when an audit committee mainly comprises independent directors, it is less likely to have conflicts of interest. This increases its ability to oversee and analyse company disclosures effectively. These committees play an important role in guaranteeing that financial disclosures adhere to the current requirements and are transparent and accurate representations of the company's actual financial position (Chijoke-Mgbame et al., 2020; Elmagrhi et al., 2017).

Dependent Variable: Voluntary Disclosure

Voluntary disclosure is measured by dividing the number of voluntary compliances by the sum of the expected number. This indicator evaluates the degree to which companies exceed obligatory reporting requirements to offer supplementary financial and non-financial data that may be relevant to stakeholders. The level of voluntary disclosure is an important measure of the openness of companies in dealing with stakeholders and shareholders. This is considered to improve the trust and confidence of investors, potentially lowering the firm's cost of capital. Increased voluntary disclosure is a company's dedication to higher governance guidelines, offering stakeholders more detailed information to facilitate well-informed decision-making (Chen et al., 2016; Oluwagbemiga, 2014).

Moderating Variable: Firm Age

The Age of Firms are determined by considering the years since the company was incorporated. This demonstrates the level of development and growth of the organisation and is frequently linked with stability and the use of more organised procedures and methods inside the company. The duration of a company's existence can impact its adherence to governance protocols and the extent to which it maintains transparency. Established companies have well-established protocols and a reputation to uphold, which impact their attitude to sharing facts and knowledge about the activities of their business, both financial and non-financial. In contrast, younger companies voluntarily disclose facts and knowledge as a strategic method to establish a positive reputation and inspire confidence among investors. The influence of firm age provides insights into how the effectiveness of audit committees and disclosure procedures differ depending on the stage of the company's lifecycle (Pouraghajan et al., 2012; Too & Simiyu, 2018).

Control Variables: Firm Size, ROA, and Financial Leverage

Firm Size (Log of Total Assets)

This variable indicates the scale of the business. Larger companies may have complicated operations and be subject to more public and regulatory scrutiny. As such, large corporations are obliged to participate in further voluntary disclosure due to heightened public interest and the necessity of addressing a wider range of stakeholder expectations.

Return on Assets (ROA) (Net Income / Total Assets)

The financial ratio measures the effectiveness of a company utilising its assets to produce profits. Management's decisions on disclosure procedures, particularly regarding financial performance disclosures, may be influenced by asset utilisation efficiency.

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Financial Leverage (Total Debt/Total Equity)

This ratio quantifies the extent to which a company funds its activities through debt compared to equity. Companies with greater debt may encounter increased expectations for openness from creditors and employ more comprehensive communication to reassure lenders and other interested parties about their financial soundness.

Specification of Research Model

Based on the hypothesis of the study, The below models were utilised for the research;

$VD_{it} = \alpha + \beta_1 IAC_{it} + \beta_2 FS_{it} + \beta_3 ROA_{it} + \beta_4 FL_{it} + \varepsilon_{it}$ ……………….. (1)

$VD_{it} = \alpha + \beta_1 IAC_{it} + \beta_2 FA_{it} + \beta_3 (IAC_{it} * FA_{it}) + \beta_4 FS_{it} + \beta_5 ROA_{it} + \beta_6 FL_{it} + \varepsilon_{it}$ …………(2)

Where;

VD = Voluntary Disclosure

IAC = Independent Audit Committee

FA = Firm Age

FS = Firm Size

ROA = Return on Assets

FL = Financial Leverage

ε = Error Term

Data Analysis

In analysing the data collected, the research used the Statistical Package for the Social Sciences (SPSS), augmented by the PROCESS macro created by Andrew Hayes. This combination was selected to manage models' complexity involving moderation and interaction effects efficiently. Initially, descriptive statistics were calculated for all important variables. The analysis revealed information on the data's dispersion and central tendency using estimated means and standard deviations for every variable.

A correlation matrix was generated to study the interactions between the variables. The analysis facilitated the detection of any possible multicollinearity problems and provided insights into the bivariate interactions, which guided the subsequent regression modelling. A multiple regression study was conducted to evaluate whether the Independent Audit Committee directly impact Voluntary Disclosure while considering the impact of Firm Size, Return on Assets, and Financial Leverage.

This research examined the extent to which the Age of a Firm impact the relationship between the Independent Audit Committee and Voluntary Disclosure. The PROCESS Macro Model 1 was employed to analyse this moderating effect. The regression model contained the interaction variable (IAC * FA). To verify the strength and dependability of the results, the researcher

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initially performed the Durbin-Wu-Hausman Test for Endogeneity. The test was used to examine whether there were any endogeneity problems with the variables. Furthermore, the Variance Inflation Factor (VIF) was calculated. This assessment was performed to evaluate the presence of multicollinearity among the variables. The results of the robustness tests are shown below.

Robustness Tests

Durbin-Wu-Hausman Test (Test for Endogeneity)

The Durbin-Wu-Hausman test assesses the existence of endogeneity in the regression model. Endogeneity arises when there is a correlation between the independent variables and the error terms, which can result in biased and inconsistent estimates. This test involves comparing two models: one that uses the real dependent variables and another that uses the residuals from the initial regression as dependent variables.

Table 2: Coefficient (Dependent Variable)

Model		**Unstandardised Coefficients**		**Standardised Coefficients**	**t**	**Sig.**
		B	Std. Error	Beta		
1	(Constant)	0.925	0.015		63.374	0
	IAC	0.028	0.004	0.16	6.381	0
	FA	-5.92E-05	0	-0.014	-0.626	0.531
	FS	-0.003	0.002	-0.048	-1.898	0.058
	ROA	0.002	0.002	0.03	1.346	0.178
	FL	-8.70E-06	0	-0.01	-0.445	0.657
a. Dependent Variable: VD						

Source: Author, 2024.

Table 3: Coefficient (Residual Dependent Variable)

Model		**Unstandardised Coefficients**		**Standardised Coefficients**	**t**	**Sig.**
		B	Std. Error	Beta		
1	(Constant)	-1.21E-15	0.015		0	1
	IAC	0	0.004	0	0	1
	FA	0	0	0	0	1
	FS	0	0.002	0	0	1
	ROA	0	0.002	0	0	1
	FL	0	0	0	0	1
a. Dependent Variable: Unstandardized Residual						

Source: Author, 2024.

The results show that statistically, the residuals have no significant effect on the dependent variable, which confirms that the model parameters are endogenous.

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Multicollinearity Check (VIF)

The VIF, also known as the Variance Inflation Factor, is a method adopted to evaluate the level of correlation between independent variables in regression models to detect multicollinearity. High multicollinearity could compromise the dependability of individual variable coefficients by increasing their variations.

Table 4: Variance Inflation Factor (VIF)

Model		**Collinearity Statistics**	
		Tolerance	VIF
1	(Constant)		
	IAC	0.806	1.24
	FA	0.953	1.05
	FS	0.787	1.271
	ROA	0.991	1.009
	FL	0.998	1.002
a Dependent Variable: Unstandardized Residual			

Source: Author, 2024.

The Variance Inflation Factor values are below the generally accepted threshold of 5, implying low levels of multicollinearity among the predictors. This means that each independent variable in the model contributes distinct information and is not excessively impacted by other variables in the model. The tolerance levels provide additional evidence that each variable contributes a significant amount of distinct variability to the model, guaranteeing the regression estimations' stability and dependability.

RESULTS AND DISCUSSION

This section presents the results, findings, and discussion of the data analysed. It begins with the descriptive statistics of the variables adopted in this investigation, followed by the correlation statistics of the study variables and the regression statistics.

Descriptive Statistics

This section thoroughly summarises the distribution and central tendencies of the key variables included in the research. The statistics provided include the number of observations (N), the lowest and highest values, the average, and the standard deviation. Understanding the fundamental attributes of the data before conducting further research is important.

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Table 5: Descriptives

	N	Minimum	Maximum	Mean	Std. Deviation
VD	1950	0	1	0.9290598291	0.1234168284
IAC	1934	0	3.666666667	1.317938396	0.6989377472
FA	1950	1	134	42.95	30.112
FS	1950	4.345569756	13.07555904	9.02657528	1.784851861
ROA	1950	-4.672388743	45.82455778	0.1809303734	1.556756163
FL	1950	-44.35490196	4703.658043	11.42578052	141.7757473

Source: Author, 2024.

The Voluntary Disclosure variable, with a range of 0 to 1, shows a mean close to the maximum value of 0.929, suggesting that the companies used in this work, demonstrate a high degree of disclosure policies. A 0.123 standard deviation, although small, indicates that the majority of companies in the study sample regularly practise high levels of voluntary disclosure. The IAC values span from 0 to 3.67, with an average of 1.318, indicating moderate to high levels of autonomy within companies' audit committees.

A standard deviation of 0.699 suggests a significant level of diversity in the autonomy of audit committees among various companies. The Firm Age exhibits a broad spectrum ranging from years 1 to 134, showing 43 years of average age. The spread and standard deviation of 30.112 indicate a diversified sample that includes relatively young and well-established companies. The size of the firm, as defined by the logarithm of total assets, varies between 4.35 and 13.08, with a 9.027 average size.

The standard deviation of 1.785 implies significant variation in the sizes of enterprises in the sample, indicating the presence of both small and large firms. The Return on Assets (ROA) shows how effectively companies utilise assets to make profits. It has a wide range from -4.67 to 45.82, with an average close to zero (0.181). The standard deviation of 1.557 indicates notable variations in financial performance among the companies, spanning from unprofitable to very lucrative entities. The range of Financial Leverage is extensive, from -44.35 to over 4703, with an 11.426 average value and 41.776 standard deviation, which is significantly high. The wide spectrum of values suggests that the selected companies exhibit significant diversity in their usage of debt funding, ranging from minimum to high levels.

Correlation Statistics

This section examines the correlations between Voluntary Disclosure (VD) and several independent, moderating, and control variables. Understanding these relationships is important for discovering potential implications for disclosure practices.

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Table 6: Correlations

	VD	IAC	FA	FS	ROA	FL
VD	1					
IAC	.136**	1				
FA	0.004	.151**	1			
FS	0.023	.434**	.208**	1		
ROA	0.028	-0.019	-.047*	-.096**	1	
FL	-0.007	0.018	-0.03	0.015	-0.006	1

**** Correlation is significant at the 0.01 level (2-tailed).**
*** Correlation is significant at the 0.05 level (2-tailed).**

Source: Author, 2024.

Table 6 reveals a significant and positive relationship between IAC and VD at a 0.01 significance level, with a 0.136 correlation coefficient. This indicates a moderate positive correlation, where greater independence of audit committees is related to increased levels of voluntary disclosure. The association between voluntary disclosure (VD) and firm age (FA) is weak and lacks statistical significance (r = 0.004). This suggests that the age of a corporation does not have a noticeable impact on its voluntary disclosure policies. This implies that more criteria beyond just a firm's age greatly influence the degrees of disclosure. The 0.023 correlation coefficient suggests a positive relationship between VD and FS.

However, this relationship is not statistically significant at conventional levels. This suggests a weak correlation, wherein larger companies partake in marginally more voluntary disclosure, possibly due to more inspection or greater importance placed on transparency. The relationship between voluntary disclosure (VD) and return on assets (ROA) is positive but has a very weak strength (r = 0.028) and is statistically not significant. The results indicate that the company's profitability or asset efficiency does not highly impact voluntary disclosure levels. This suggests that governance-related variables greatly influence disclosure practices rather than financial performance.

The relationship between VD and FL is negative (r = -0.007) and lacks statistical significance, suggesting that the extent of financial leverage does not significantly impact voluntary disclosure practices. This outcome indicates that higher amounts of debt do not necessarily require increased disclosure to meet creditors' demands or that the influence of other more significant factors overshadow such impacts.

Regression

This section covers the regression results from the variables under consideration in this study. First, the results of the direct relationship between the IAC and VD will be discussed. Then, data on the moderating effects of a firm's age in this relationship.

Direct Relationship Between Independent Audit Committee and Voluntary Disclosure
This section presents the data on the relationship between IAC and VD.

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Table 7: Summary of Model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.148a	0.022	0.02	0.122276103
a. Predictors: (Constant), FL, ROA, IAC, FS				

Source: Author, 2024.

The table briefly describes the regression model investigating the direct correlation between Voluntary Disclosure (VD) and the Independent Audit Committee (IAC). The model also includes control variables, namely Return on Assets (ROA), Firm Size (FS), and Financial Leverage (FL). The 0.022 R-squared value indicates variability in Voluntary Disclosure by 2.2%. This suggests that other factors influence disclosure practices beyond what the model captures. Including multiple predictors minimises the risk of overfitting, as shown by the reduced Adjusted R-square value of 0.02. The regression result of the study also gives a 0.122 Standard Error of the Estimate. This indicates that the predictions are within 12.2% of the actual values on average. This demonstrates that the model has a decent level of accuracy.

Table 8: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0.646	4	0.162	10.806	.000b
	Residual	28.841	1929	0.015		
	Total	29.488	1933			
a. Dependent Variable: VD						
b. Predictors: (Constant), FL, ROA, IAC, FS						

Source: Author, 2024.

The ANOVA table assesses the regression model's statistical significance. The Regression Sum of Squares, at 0.646, compared to the Residual Sum of Squares, at 28.841, indicates the percentage of overall variability the model provides. The F-statistic of 10.806 and a p-value of less than 0.001 provide strong evidence that the model accurately predicts Voluntary Disclosure. The statistical significance of these variables collectively indicates that they influence disclosure practices.

Table 9: Coefficients[a]

Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.924	0.015		63.574	0
	IAC	0.028	0.004	0.159	6.353	0
	FS	-0.004	0.002	-0.051	-2.015	0.044
	ROA	0.002	0.002	0.031	1.364	0.173
	FL	-8.27E-06	0	-0.01	-0.423	0.672
a. Dependent Variable: VD						

Source: Author, 2024

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The Coefficients table gives a detailed overview of the impact of each predictor in the model. The constant term, with a value of 0.924, is significantly different from zero ($p < 0.001$). This indicates a high baseline Voluntary Disclosure level when all predictors are set to zero. The coefficient for IAC is positively correlated (0.028) and statistically significant ($p < 0.001$), supporting the hypothesis that an increase in independent audit committees leads to enhanced disclosure with transparency. On the contrary, the variable Firm Size has a -0.004 negative coefficient, statistically significant at the p-value of 0.044. This indicates that larger organisations tend to engage less in voluntary disclosure. The model's coefficients for Return on Assets (ROA) and Financial Leverage (FL) are not statistically significant. This suggests that these financial indicators have less influence on disclosure practices than governance characteristics such as audit committee membership.

Moderating Effect of Firm's Age on Independent Audit Committees and Voluntary Disclosures

This section discusses the moderating effect of a firm's age on Independent Audit Committees, their relationship with Voluntary Disclosure, and the key Product terms.

Table 10: Model Summary

R	**R-sq**	**MSE**	**F**	**df1**	**df2**	**P**
.1399	.0196	.0150	12.8433	3.0000	1930.0000	.0000

Source: Author, 2024.

This table presents a summary of the regression model that examines the moderating impact of the age of a firm on Independent Audit Committees and Voluntary Disclosure. The Multiple Correlation Coefficient (R) of 0.1399 insinuates an overall moderate connection among the variables in the model and Voluntary Disclosure. The 0.0196 R-squared value depicts that almost 2% of the variability in Voluntary Disclosure is accounted for by the combined effect of Firm Age and the Independent Audit Committee. The Mean Square Error (MSE) of 0.0150 is the average of the squared differences between the observed and predicted values, serving as a metric for assessing the correctness of the model. The F-statistic of 12.8433, along with a highly significant p-value (<0.0001), is indicative that the whole model is statistically significant. This indicates that combining these factors is important for predicting Voluntary Disclosure levels.

Table 11: Model

	coeff	**se**	**t**	**p**	**LLCI**	**ULCI**
Constant	.8920	.0110	80.8586	.0000	.8704	.9136
IAC	.0312	.0074	4.1989	.0000	.0166	.0458
FA	.0001	.0002	.5318	.5949	-.0003	.0005
FS	.0081	.0030	2.6604	.0079	.0021	.0140
ROA	.0037	.0067	.5413	.5884	-.0096	.0169
FL	.0001	.0001	-.1407	.8881	-.0001	.0001
Int_1	-.0001	.0001	-1.0507	.2935	-.0004	.0001

Source: Author, 2024.

This table presents a comprehensive analysis of the coefficients for the variables and interaction terms in the model, evaluating their impact on Voluntary Disclosure. The constant term at

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0.8920, with a highly significant t-value, suggests a robust initial level of disclosure when all predictors are at zero. The Independent Audit Committee (IAC) shows a statistically significant and positive coefficient (0.0312, $p < 0.0001$), hence strengthening its direct and favourable influence on disclosure.

Nevertheless, the interaction term between IAC and Firm Age (Int_1) gives a -0.0001 coefficient and a -1.0507 t-value, indicating that statistically, there is no significance as the p-value is 0.2935. This deduces that a firm's age does not significantly affect the relationship between IAC and Voluntary Disclosure. Therefore, there is no evidence of a moderating influence. The coefficients for additional control variables, including Firm Size and Return on Assets, were incorporated. The study outcome reveals that firms' magnitude has a minor yet statistically significant beneficial impact on disclosure ($\beta = 0.0081$, $p = 0.0079$). However, the effects of return on assets and financial leverage were not statistically significant.

Product terms key

Int_1: IAC x FA

Table 12: Test(s) of highest order unconditional interaction(s)

	R2-chng	F	df1	df2	p
X*W	.0006	1.1040	1.0000	1930.000	.2935

Source: Author, 2024

This table aims to assess the statistical importance of the highest-level unconditional interaction in the study's model: the interaction between the Independent Audit Committee and Firm Age (IAC x FA). The increase in R-squared (R2-chng) resulting from the inclusion of the interaction term is minimal (0.0006), and the F-statistic for this test is 1.1040 with a 0.2935 p-value. These results suggest that the interaction term does not make a significant contribution to throwing light on variation in Voluntary Disclosure beyond the main effects. The absence of statistical significance clearly shows that the Independent Audit Committees highly impact Voluntary Disclosures, regardless of a firm's age.

Discussion

The regression analysis demonstrates a positive and significant relationship between the existence of Independent Audit Committees (IAC) and Voluntary Disclosure (VD). This is indicated by the statistically significant coefficient ($p < 0.001$) depicted by the regression model, confirming that a rise in the independence of audit committees impacts voluntary disclosures. Given the positive and statistically significant results, the hypothesis (H1) stating that "Independent Audit Committees positively and significantly impact Voluntary Disclosure" is accepted.

The significant influence of IACs on VD aligns with the Stakeholder Theory, suggesting that effective audit committees enhance corporate transparency, thereby fulfilling ethical obligations and building trust among stakeholders. This supports the concept that organisations engage in voluntary disclosure to manage stakeholder perceptions and maintain a favourable

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reputation, particularly in emerging markets where transparency is important for operational success (Gatignon & Capron, 2023). Also, the strong role of IACs in promoting VD demonstrates that companies engage in voluntary disclosure as a strategic instrument to ensure the stability of resource access, aligning with the Resource Dependence Theory's premise that organisations adapt their disclosure strategies to secure necessary resources in dynamic environments.

The positive relationship between IACs and VD unveiled by this research supports studies carried out by Abbas et al. (2021) and Al-Shaer et al. (2022), highlighting the effectiveness of IACs in fostering an environment of enhanced disclosure. This aligns with observations by Nakajima and Inaba (2022), who noted that in markets with less regulatory oversight, audit committees effectively function as internal regulators to bolster transparency and trust.

The regression analysis also explored whether firm age moderates the Independent Audit Committees (IAC) and Voluntary Disclosure (VD) relationship. However, the study outcome showed that the interlinkage term between IAC and the age of a firm was not statistically significant, implying that the age of firms does immaterially alter the importance of audit committees on voluntary disclosure practices. Based on the statistical insignificance of the interaction term, the hypothesis (H2) that "Firm Age positively and significantly moderates the relationship between the Independent Audit Committee and Voluntary Disclosure" is rejected.

The paucity of a significant moderating effect of a firm's age suggests that both the young and old firms perceive the role of IACs similarly concerning voluntary disclosure, viewing transparency as a necessary strategy for securing resources irrespective of the firm's age. This finding indicates that firm age does not influence the strategic dependency on transparency for resource acquisition in the environments considered in this study. The absence of a moderating effect by firm age implies that regardless of a firm's maturity, the pressure or incentive to meet stakeholder expectations through transparency is uniformly recognised across different age groups in the corporate environments. While some researchers like Farooq et al. (2022) and Hasnan et al. (2020) established that younger companies respond to governance structures to a greater extent in their disclosure practices, this study's findings do not support a significant differentiation based on firm age. This discrepancy may indicate that firm age does not significantly impact how audit committees influence voluntary disclosure in the emerging market. This could be due to a uniform regulatory or governance expectation across firms of different ages, or it may reflect a broader industry or national culture that values transparency equally across different stages of organisational maturity.

CONCLUSION AND RECOMMENDATIONS

This research assessed the relationship between Independent Audit Committees and Voluntary Disclosure in developing countries, revealing important information on the fundamental role of IACs in fostering corporate transparency. The key finding of this study suggests a significant positive impact of the Independent Audit Committees on voluntary disclosure. This highlights the important function of these committees in improving the dependability and honesty of financial reporting, especially in situations where oversight from regulators may be less strict

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or strictly implemented. By meticulously verifying financial statements, Independent Audit Committees (IACs) reduce the potential dangers arising from unequal access to information and strengthen overall credibility in business disclosures within the market.

Furthermore, the examination of whether the age of a firm modifies the impact of IACs on VD revealed that the firm's age does not have a major influence on the relationship. The finding is significant since it indicates that the advantages of strong audit committee supervision in improving transparency universally apply to companies of different ages. Whether a company has existed for a longer period with established standards or is a new company trying to develop a unique position, having an effective Independent Audit Committee (IAC) is equally important in promoting voluntary disclosure. This consistency among firms of all ages highlights the universal requirement for robust corporate governance structures that strengthen investor trust and maintain market stability, regardless of the firm's historical origins or history.

This study emphasises various implications in policy, practice, and academia that arise from the important role of Independent Audit Committees in improving transparency in financial reporting in developing countries. Regulators in these markets should enhance the mandates for Independent Audit Committees, guaranteeing their requisite autonomy and power to operate efficiently. This involves amending corporate governance regulations to incorporate precise mandates for the membership, operation, and qualifications of audit committee members and the frequency and scope of their audits.

Companies should prioritise the organisation of their Independent Audit Committees to optimise both independence and effectiveness. This may be achieved by ensuring committee members possess broad experience and are completely free from conflicts of interest. Companies should strive to uphold strong transparency in their operations to build investor trust and draw in capital. This can be achieved by implementing disclosure procedures that go above the minimum requirements set by regulations. Regarding academia, the results indicate a requirement for additional investigation into aspects that can impact the interaction among Independent Audit Committees and Voluntary Disclosure. These variables may include cultural influences and different legal contexts. Incorporating real-world case studies from developing economies into corporate governance courses can greatly help students by offering a more comprehensive grasp of the challenges and strategies involved in successful governance in various economic environments.

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