

Voluntary disclosure of listed banks operating in Ghana

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ABSTRACT

Issues of voluntary disclosure have become relevant in Ghana after the Bank of Ghana took steps to rationalised banks in Ghana to strengthen the banking sector. The sudden collapse of some banks in Ghana may have raised some doubts among investors and other stakeholders with regards to the quality of information disclosed by banks in Ghana. It has therefore become important for banks in Ghana to improve the quality of financial information by setting up good governance structures and to provide adequate voluntary information in their annual reports to boost the confidence of investors and other stakeholders. This study examines the extent to which listed banks in Ghana voluntarily disclose information in their annual report for the 2018 period and to determine the differences in the types of information voluntarily disclosed by listed banks in Ghana. This study revealed an overall voluntary disclosure level mean of 0.6294 which was slightly above average. The Tukey post hoc test showed a statistical significant difference between strategic information and non-financial information as well as a statistical significant difference between strategic information and financial information. However, there is no statistical significant difference between non-financial information and financial information. The study concludes that adequate voluntary information must be provided in the annual reports of listed banks in Ghana to ensure transparency, consistency, reliability and comparability to influence the economic decision needs of investors and other users of accounting information.

Keywords: voluntary disclosure, strategic information, non-financial information, financial information, listed banks in Ghana.

1. Introduction

Companies desire to raise capital from investors in the capital market necessitates the provision of voluntary accounting information (Choi, 1973). This motivate companies to willingly provide excess non statutory information in their annual report to be useful to several

stakeholders (such as owners of the business, potential shareholders, bankers, people in academia, financial advisors, the general public etc.) in making economic and investment decision.

Voluntary disclosure involves providing excess of private accounting and

supplementary information subject to audit and other regulatory scrutiny, intended to be used by management but considered to be pertinent to the economic decision exigency of users of accounting details. Providing adequate voluntary details assist users to have a fair view of what goes on in a company and also benefit companies and the general economy of a country as well as lowering companies cost of capital (Leuz & Verrecchia, 2000; Choi & Levich, 1990; Diamond & Verrecchia, 1991; Healy & Palepu, 2001; Botosan, 1997).

Issues of disclosure have been relevant to a developing country like Ghana on the aftermath of the rationalisation of the banking industry by the central bank which ensued in 2017 and 2018 to sanitise and strengthen the banking sector. The rationalisation of the banking sector resulted in some banks been merged whereas other banks had their licences revoked and this may have raised doubts among investors as well as other stakeholders with regards to quality of details disclosed by these banks. The recent collapse of several operating banks in Ghana has triggered the need to assess the level of voluntary details disclosure by these banks. However, previous studies have not made a thorough assessment on the extent to which listed banks operating in Ghana voluntarily disclose information in their annual report on the aftermath of the central bank's rationalisation of the banking industry. For this reason, there is a massive information gap and this study fills that gap by assessing the level of voluntary details disclosure by listed banks operating in Ghana and proceeds to determine the variations in the types of voluntary details disclosure by listed banks operating in Ghana.

The purpose of this study is to provide empirical evidence on the extent to which listed operating banks in Ghana voluntarily disclose details in their annual reports and the variations in the types of voluntary details disclosed to assist potential shareholders and other accounting users in making informed economic decisions.

This study is significant since it provides a major extension to already existing literature on voluntary disclosure by way of measuring the variations in the types of voluntary details disclosed by listed operating banks in Ghana on the aftermath of the banking sector rationalisation by the central bank which resulted in the collapse of the sixteen (16) banks.

2. Literature review

This study reviewed available literature to examine empirical research on disclosures of companies and what other researchers say with regards to recent level of disclosures in firm's annual reports.

2.1 Overview of Bank of Ghana

Bank of Ghana (BOG), owned entirely by the Ghana Government executes its functions under the Bank of Ghana Act, 2002 (Act 612) (as amended by the Bank of Ghana (Amendment) Act, 2016 (Act 918)), Banks and Specialised Deposit-Taking Institution Act, 2016 (Act 930) and the Public Financial Management Act, 2016 (Act, 921) undertook the recapitalization of banks in 2018 and the outcome showed a total of 23 banks meeting the minimum requirement, comprising 14 foreign-controlled banks and 9 domestically-controlled banks. Whereas several stakeholders believe that the measures taken by BOG have reduced the confidence

stakeholders have in the banking sector, other stakeholders have different views.

2.2. The Ghana Stock Exchange (GSE)

The Ghana Stock Exchange executes its functions under Ghana's Companies Code, 1963 (Act 179). The objectives and functions the Ghana Stock Exchange among others are to set up the space and structure for the public to buy and sell securities.

It is believed that companies get listed on the stock market because of their desire to raise capital and also have the advantage of boosting their public image. Available data on the website of the Ghana Stock Exchange (2019) displayed 42 listing equities made up of companies from consumer goods and service, oil & gas, technology, medical service, telecommunication and financial institutions among others. Financial institutions are made up of 12 companies of which 9 of them are banks. However, only 8 out of the 9 banks listed on the Ghana Stock Exchange are operational in Ghana. Among these are Access Bank Ghana, Agricultural Development Bank, CAL Bank Ltd, Ecobank Ghana Ltd, GCB Bank Ltd, Republic Bank Ghana Ltd, Societe Generale Ghana Ltd and Standard Chartered Bank Ghana Ltd. The Trust Bank (Gambia) is the other listed bank but not operational in Ghana.

2.3. Theoretical review

Theories influencing voluntary disclosure in corporate reporting are agency theory, capital need theory and signalling theory.

2.4. Agency theory

Agency theory enumerates the relationship between agent and principal. The corporate management (agent) are working on shareholders (principal) behalf and must therefore ensure that their actions are on the side of shareholders and the firm (Jensen & Meckling 1976; Morris 1987). Agency problem exist where corporate management are inclined to execute actions in their self-interests inconsistent with that of shareholders leading to information asymmetry (Jensen & Meckling 1976). Adequate disclosures on financial, strategy and non-monetary information in corporate reporting will therefore serve as a measure to control the activities of corporate management and lessen information asymmetry problem as well as agency cost (Ball & Foster, 1982; Jensen & Meckling, 1976; Morris, 1987; Barako, Hancock & Izan, 2006).

The agency theory is relevant to the study since corporate management are required to disclose adequate and relevant information relating to financial, strategy and non-financial in corporate reporting for shareholders and other accounting information users to ensure swift reduction of information asymmetry problem.

2.5. Capital need theory

Capital need theory is concerned with firms' motivation to raise capital (either equity or debt) at a low cost and mentions that, a firm's wish to raise capital from the capital market would encourage it to make adequate voluntary disclosure in corporate reporting (Choi 1973; Cooke 1989a). Voluntary disclosure reduces capital cost and enhances shares purchase. For this reason, corporate entities must see the need

to disclose adequate voluntary details in their reporting to entice potential shareholders (Choi, 1973; Firth, 1980; Healy, Hutton & Palepu, 1999; Diamond & Verrecchia, 1991; Botosan, 1997).

The capital need theory is relevant to this study because corporate management of listed banks operating in Ghana have the desire to raise money from capital market. As such, there is the need for corporate management to provide relevant voluntary details in corporate reporting to attract potential shareholders.

2.6. Signalling theory

Signalling theory in corporate reporting explains voluntary disclosure as a condition to reduce the problem of information asymmetry (Ross, 1977). Companies competing for capital from investors lean on adequate disclosure of voluntary information in corporate reporting as a way of signalling investors and other users of their excellence, comparable to other companies to attract investors (Verrecchia, 1983; Campbell, Shrives & Saager, 2001). The problem of information asymmetry is reduced when corporate management decide not to hide specific information needed by users.

The signalling theory is relevant to the study since corporate management of listed banks operating in Ghana wish to enhance their company's credibility. As such they would signal investors and other accounting information users by way of providing adequate voluntary details in their reporting with regards to their excellence.

2.7. Strategic details

Companies provide strategic

details in corporate reporting to disclose what they seek to achieve in the short run and long run. Strategic details have become relevant in voluntary disclosure studies since they furnish potential shareholders and other accounting information users with details concerning the long-term planning, directions of the firm and information needed for a firm to achieve its business objectives.

Meek, Roberts and Gray (1995) in their study developed 85 voluntary disclosure items to include 23 strategic information items whilst de la Bruslerie and Gabteni (2010) included 22 strategic information in their study. United Nations Conference on Trade and Development (UNCTAD, 2017) case study of Itaú Unibanco also provided 14 strategic information.

2.8. Non-financial details

Non-financial details used in view of this context is concerned with any information provided in corporate reporting discounting financial details that are not quantified in monetary terms. Disclosure of non-financial detail is relevant to voluntary disclosure studies because it is believed to provide transparent and more interesting information in corporate reporting.

Meek et. al (1995) included 27 non-financial information whilst de la Bruslerie and Gabteni (2010) included 3 non-financial information items in their study. UNCTAD (2017) on the other hand included 6 non-financial information items in the case study of Itaú Unibanco.

2.9. Financial details

Financial detail used in this context is concerned with information such as firm's

assets, liabilities, equity that can be found in the annual report. Financial details are essential to disclosure studies since they provide information on financial capabilities of corporate entities for potential shareholders and other accounting information users.

Meek et. al (1995) included 35 information items in their study whilst de la Bruslerie and Gabteni (2010) included 15 financial information items in their study. UNCTAD (2017) however included only value added statement as financial information in the case study of Itaú Unibanco.

2.10. Empirical review

A number of prior studies such as (Cerf, 1961; Copeland and Fredericks, 1968; Singhvi and Desai, 1971; Buzby, 1975; Firth, 1979 and 1980; Chow and Wong-Boren, 1987; Cooke (1989a and 1989b etc.) and current studies researchers (such as, Gray et. al., 1995; Meek et. al., 1995; Botosan, 1997; Botosan and Plumlee, 2002; de la Bruslerie and Gabteni, 2010; Iatridis and Valahi, 2010; Murcia and Santos, 2012; Consoni and Colauto, 2016 etc). have examined literature on disclosure.

Cerf (1961) was the foremost researcher to employ a disclosure index on voluntary disclosure by building an index comprising of 31 details from the annual reports.

Researchers like Copeland and Fredericks (1968), Singhvi and Desai (1971), Buzby (1975), Firth (1979; 1980), Chow and Wong-Boren (1987), Cooke (1989a) were inspired by Cerf's work and adopted his ideas in their research because

they found his technique useful.

Whilst Copeland and Fredericks (1968) used 6 specific indices of 200 NYSE firms for the year 1964, Singhvi and Desai (1971) in their study selected 34 voluntary disclosure items, Buzby (1975) develop an index of 39 items of financial and non-financial details for 44 NYSE and American Express Company (AMEX) firms plus 44 OTC firms annual reports (from 30th June, 1970 to 30th June, 1971). Firth (1979 and 1980) however developed 48 items for 40 non-listed producing entities and 100 listed producing entities' annual reports for the year 1976 and Chow and Wong-Boren (1987) developed 24 items for the annual reports of 52 Mexican Stock Exchange firms for 1982 period.

Cooke (1989a and 1989b) on the other hand developed 224 items and 146 items respectively for 90 entities in Sweden for the 1985 period and confirms that '*listing status and size*' explain the extent of disclosure and also finds that '*listing status and size*' are important explanatory variables for voluntary disclosure whereas trading entities disclose little voluntary details as compared to industrial entities.

Gray, Meek and Roberts (1995) developed 128 items for 116 U.S., 64 U.K., Multinational Corporation (MNCs) and 100 Continental European multinational entities for the year 1989 find a substantial variation in corporate reporting between '*internationally listed and domestically listed firms*.'

Meek et. al. (1995) developed 85 listings for annual reports of 116 U.S., 64 U.K., Multinational Corporation (MNCs)

and 46 Continental European Multinational Corporations (MNCs) and find that Continental European Multinational Corporations (MNCs) provide improved voluntary details as compared to American or British MNCs. Size of entities, country of operation, and '*international listing status*' are significant to explain the voluntary disclosure of firms. However, leverage, multinationality and profitability variable are not statistically significant.

Botosan (1997) sampled 122 producing entities and examined their 1990 annual reports and confirms that enhanced disclosure is related to '*lower cost of equity capital*'. However, the study reveals no evidence of relationship between disclosure level and '*cost of equity capital*'.

Botosan and Plumlee (2002) used 3,623 observations involved in AIMR Reports from 1985/86 and 1995/96 periods. Their study indicates that managers of entities that produce enhanced disclosure in the annual report benefit as result of '*lower cost of equity capital*' and that timely improved disclosure is related to '*higher cost of equity capital*'. However, the study reveals no relationship between the '*cost of equity capital and the level of investor relations*' activities.

de la Bruslerie and Gabteni (2010) developed 28 items for 120 listed French firms from 2003-2008 and find that detailed disclosure improved substantially from 2003-2008 and firms that have the ability to communicate reduce information asymmetry as the extent of information vary among analysts' expectations of companies growth and profitability.

Iatridis and Valahi (2010) used 262

UK entities listed on the London stock market for pre-official adoption period of 2004 and find entities that voluntarily disclose details appear to voluntarily adopt IAS 1 and that '*leverage, profitability, liquidity and growth*', influence judgements to approve voluntary accounting policy or regulation.

Murcia and Santos (2012) developed 92 voluntary items and presented 3 disclosure models: '*economic, socio-environmental and total (economic and socio-environmental)*' for the annual reports of 100 biggest non-financial entities listed in the '*Bolsa de Valores de São Paulo (Brazilian Securities, Commodities, and Futures exchange – BOVESPA)*' for the period 2006-2008 and find that profitability is important in the economic model and in the '*total model*' but '*leverage and auditing firm*' are only important in the '*economic disclosure model*'. However, '*Size, Governance, Stock Issuing, Growth Opportunities and Concentration of Control*' are insubstantial to the 3 models.

Consoni and Colauto (2016) developed 27 items for 66 active in BM&FBovespa companies during the 2005-2012 period and find that voluntary disclosure in Brazil was influenced substantially by mandatory disclosure in the process of convergence to international accounting.

Several prior studies and current studies researchers have extensively examined the literature on disclosure. However, these studies fall short to address the level of voluntary disclosure of listed firms operating in Ghana as well as research on the variations in the types of voluntary details disclosed by listed banks operating in

Ghana on the aftermath of the central bank's rationalisation of the banking industry. This study therefore fills this gap by examining the level of voluntary disclosure of listed banks operating in Ghana in the annual reports for 2018 accounting year and advance to determine whether there are no significance variations in the types of voluntary details disclosed by listed banks operating in Ghana.

2.11. Conceptual design

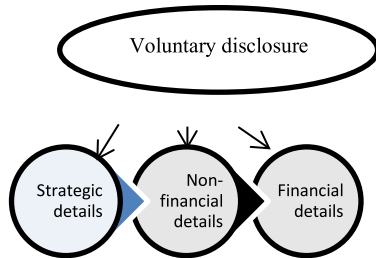


Figure 1. Paradigm revealing the connection between voluntary disclosure and its measuring variables.

3. Methodology

The study employed quantitative research design in gathering and analysing the data. As indicated earlier, there are 23 banks in Ghana currently comprising of 14 foreign-controlled banks and 9 domestically-controlled banks. Out of the 23 banks only 9 banks are listed on the Ghana Stock Exchange but only 8 are operational in Ghana. Purposive sampling was used in selecting all the 8 banks listed on the Ghana Stock Exchange and operating in Ghana. Listed banks operating in Ghana were chosen because of their desire to raise capital for their businesses from the stock market and also because of their advantage to boost their public image by getting listed on the stock market. It is then expected that, listed banks operating in Ghana disclose

adequate voluntary details in their annual report to attract potential shareholders.

The annual reports obtained from the various companies' website for the year 2018 were assessed to assist in this study to determine the level of voluntary details disclosed by the banks. The annual report for the year 2018 was selected because it is fairly current and relevant to this study on the aftermath of the banking industry rationalisation.

Several researchers have developed their own voluntary disclosure index to assess the level of disclosure made by firms using either weighted disclosure indexes or unweighted disclosure index since there is currently no universally accepted voluntary disclosure index. Different weights are applied to the same item of information for all firms under weighted disclosure whereas unweighted disclosure approach use either dichotomous approach or modified dichotomous approach to attach different weights to applicable item of information for all firms. Several researchers have criticized the use of weighted index approach because certain information relevant to some companies might not be applicable and relevant to other companies. In such case, it would not be appropriate to use the same weight for all companies (Cooke 1992). This study however adopted the modified dichotomous approach under unweighted index by Cooke (1989a; 1989b and 1992) since it is appropriate to this study because Chow and Wong-Boren (1987) opined that users get the chance to make an independent analysis of this method and also require users to read the corporate annual reports wholly to overcome any potential bias. Cooke (1989a; 1991 and 1992) also argued that,

unweighted disclosure index approach is appropriate since it does not use the same weight for all companies and reduces the impact of the subjective weights among the various user groups.

The disclosure index developed in previous research consists of a variety of items that can be used to provide scores to influence economic decision needs of users.

A disclosure checklist was developed based on prior studies (such as Cooke, 1989a), current studies (such as Meek et. al., 1995; Botosan, 1997; de la Bruslerie and Gabteni, 2010), and an examination of international trends and standard reporting practices (such as UNCTAD, 2017) and also based on guarded consideration of entity's complete annual report consisting of financial statements, information on corporate governance, information on business review, shareholders information and corporate information among other. The disclosure checklist of 118 voluntary disclosure items (categorized into 3 namely strategic details, non-financial details and financial details) have been developed for this study considering the interest of the various user groups. Several researchers (such as Cooke 1992; Marston and Shrivs 1991 etc.) have posited that the development of disclosure index can be subjective since annual reports have numerous user groups with different needs. For instance investors are concerned with information in relation to profitability and earnings rate of return while employees are concerned with information in relation to workplace conditions and compensation packages. This study has therefore made an extensive effort to reduce subjectivity by developing an index of disclosure items that

are relevant to all range of users of accounting information. This is due to the fact that users' information needs are broad and some specific information meant for employees or any other user might also be relevant to potential shareholders and other users. The strategic details which disclose information on what the entities seek to achieve in the short run and long run is represented by general corporate details (25 items developed), corporate strategy (17 items developed), research and development (3 items developed) and future prospects (8 items developed). The non-financial details which disclose information that are not quantified in monetary terms is represented by details on directors (7 items developed), details on employees (13 items developed) and social policy details (6 items developed). The financial details which disclose information such as firm's assets, liabilities, equity in the annual report is represented by segment details (17 items developed), financial review (14 items developed), foreign currency information (3 items developed) and stock price details (5 items developed).

Table 1. Operationalization of the variables

Dependent variable	
TD	Total disclosure
Independent variable	
Item	Strategic details
	Non-financial details
	Financial details
The voluntary disclosure index (VDI) unweighted index (modified dichotomous approach) is calculated by dividing overall voluntary disclosure items a firm disclose by number of applicable voluntary disclosure items.	

VDI = Actual disclosure by a firm / Total possible disclosure. This is shown as;

$$VDI = \frac{\sum_{i=1}^m di}{\sum_{i=1}^n di}$$

Where,

d = score 1 if item *di* is disclosed and score 0 if item *di* is not disclosed,
 m = overall items disclosed by a firm,
 n = overall voluntary disclosure items which the company is expected to disclose, i.e. n ≤ 118. This study assessed the various listed banks using the researcher's own scoring guidelines for the means as follows; 0.80 and above = excellent, 0.70 – 0.79 = above average, 0.60 – 0.69 = slightly above average, 0.50 – 0.59 = average, 0.40 – 0.49 = below average and 0.39 and below = poor.

3. 1. Hypothesis

This study assumes that there are no significant variations in the type of voluntary details disclosed by listed banks operating in Ghana. To confirm this, one way ANOVA was performed to test hypothesis of no significant differences in the type of information voluntarily disclosed by listed banks in Ghana as Gray et. al., (1995) used ANOVA for the purposes of statistical analysis in their study. Before one-way ANOVA was performed, the assumption of normality was evaluated using Kolmogorov-Smirnov test to check

for normality of the three disclosure groups. Also, Levene's test was used to test for homogeneity of variances to ensure variances for the three groups are the same for the test to give a valid result. Eta squared was computed (Eta squared = Sum of squares between groups/Total sum of squares) to determine the effect size using Cohen (1988) guidelines of 0.01 = less effect, 0.06 = intermediate effect and 0.14 = great effect. To evaluate the nature of the differences between the 3 groups made up of strategic details, non-financial details and financial details, the Tukey post hoc test was used to measure the statistically significant differences between the 3 groups.

The ANOVA model is specified as:

$$y_{qj} = \mu_j + \varepsilon_{qj}$$

Where,

y_{qj} = observations or dependent variable,
 $q = 1, \dots, q$ represents an index over within groups,

$j = 1, \dots, j$ represents an index over between groups,

μ_j = the mean of the observations for the j th between groups,

ε = unobserved random error with 0 mean.

F statistic would be computed as;

$$F = MeSG/MeSE$$

Where MeSG = Mean square between groups,
 MeSE = Mean square within groups.

4. 0. Results and discussion

Table 2: Level of voluntary disclosures among listed banks in Ghana (mean scores)

Voluntary disclosure items	Access Bank Ghana		Agricultural Development Bank		CAL Bank Ltd		Ecobank Ghana Ltd		GCB Bank Ltd		Republic Bank Ghana Ltd		Societe Generale Ghana Ltd		Standard Chartered Bank Ghana	
GCD	0.9200	0.6959	0.6250	0.8800	0.7083	0.7917	0.6800	0.8400								
CSD	1.0000	0.6471	0.7647	0.7647	0.7059	1.0000	0.6471	0.8824								
R&D	0.0000	0.6667	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000								
FPD	0.3750	0.2500	0.2500	0.2500	0.3750	0.2500	0.2500	0.2500								
StD	0.8113	0.6078	0.5769	0.6981	0.6154	0.6346	0.5660	0.7170								
DoD	0.8571	1.0000	1.0000	1.0000	0.8571	1.0000	1.0000	1.0000								
DoE	0.8462	0.3846	0.3077	0.3846	0.3077	0.2308	0.3846	0.7692								
SPD	0.8333	0.3333	0.8333	0.8333	0.8333	0.6667	0.5000	0.8333								
NFD	0.8462	0.5385	0.6154	0.6538	0.5769	0.5385	0.5769	0.8462								
SeD	0.4118	0.4118	0.4706	0.3524	0.4706	0.3529	0.4118	0.4118								
FRD	0.4286	0.6429	0.7143	0.7143	0.5714	0.5714	0.5000	0.7143								
FCD	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000								
StPD	0.8000	0.8000	1.0000	0.8000	1.0000	0.8000	0.8000	0.8000								
FD	0.5128	0.5897	0.6667	0.5897	0.6154	0.5385	0.5385	0.6154								
TD	0.7203	0.5862	0.6154	0.6525	0.6068	0.5812	0.5593	0.7119								

Source: Authors computation from 2018 annual reports. Table 2 revealed that Access Bank Ghana Ltd had the highest level of disclosure with mean of 0.8113 for strategic information followed by Standard Chartered Bank Ghana Ltd with mean of 0.717. This suggests that Access Bank Ghana Ltd and Standard Chartered Bank Ghana Ltd disclosed more information under strategic details than the other listed banks. Ecobank Ghana Ltd was ranked next with mean of 0.6981 followed by Republic Bank Ghana Ltd with mean of 0.6346. It was then followed by GCB Bank Ltd with mean of 0.6154. Agricultural Development Bank followed closely with mean of 0.6078,

followed by CAL Bank Ltd with mean of 0.5769. The results revealed that, Ecobank Ghana Ltd, Republic Bank Ghana Ltd, GCB Bank Ltd and Agricultural Development Bank means are slightly above average per the researcher's level of voluntary disclosure scoring guidelines. Next was Societe General Bank Ltd with mean of 0.5660. The implication is that, Access Bank Ghana Ltd and Standard Chartered Bank Ghana recognized the provision of information concerning the long-term planning, directions of the firm and information needed for the firm to achieve its business objectives as the way forward to boost the confidence of investors and other users of

accounting information. Ecobank Ghana Ltd, Republic Bank Ghana Ltd, GCB Bank Ltd, Agricultural Development Bank, CAL Bank Ltd and Societe General Bank Ltd also did acknowledge the importance of providing strategic details.

Non-financial details in table 2 revealed that Access Bank Ltd and Standard Chartered Bank Ghana Ltd had the highest level of disclosure with means of 0.8462 each. This outcome indicates that Access Bank Ltd and Standard Chartered Bank Ghana Ltd were more concerned with non-financial details as compared to the other listed banks. This also implies that Access Bank Ltd and Standard Chartered Bank Ghana Ltd were more transparent in their reporting to restore confidence in investors and other users of accounting information. Ecobank Ghana Ltd followed with mean of 0.6538. Next was CAL Bank Ltd with mean of 0.6154. Ecobank Ghana Ltd and CAL Bank Ltd means are slightly above average per the researcher's level of voluntary disclosure scoring guidelines. Next were GCB Bank Ltd and Societe General Bank Ltd with means of 0.5769 each, followed by Agricultural Development Bank and Republic Bank Ghana Ltd with a mean of 0.5385 each. This finding implies that Ecobank Ghana Ltd, CAL Bank Ltd, GCB Bank Ltd, Societe General Bank Ltd, Agricultural Development Bank and Republic Bank Ghana Ltd did acknowledge the prominence of providing non-financial details in their annual report though, Ecobank Ghana Ltd and CAL Bank Ltd means were slightly above average whereas GCB Bank Ltd, Societe General Bank Ltd, Agricultural Development Bank and Republic Bank Ghana Ltd means were

average.

Disclosure on Financial details in table 2 revealed that, CAL Bank Ltd had highest level with mean of 0.6667, followed by GCB Bank Ltd and Standard Chartered Bank Ghana Ltd with means of 0.6154 each. CAL Bank Ltd, GCB Bank Ltd and Standard Chartered Bank Ghana Ltd means were slightly above average per the researcher's level of voluntary disclosure scoring guidelines. Next were Agricultural Development Bank and Ecobank Ghana Ltd with means of 0.5897 each. It was then followed by Republic Bank Ghana Ltd and Societe General Bank Ltd with means of 0.5385 each. Next was Access Bank Ltd with a mean of 0.5128. Agricultural Development Bank and Ecobank Ghana Ltd, Republic Bank Ghana Ltd and Societe General Bank Ltd means were average per the researcher's level of voluntary disclosure scoring guidelines. This finding suggests that, CAL Bank Ltd disclosed more information under financial details than the other listed banks. CAL Bank Ltd, GCB Bank Ltd, Standard Chartered Bank Ghana Ltd, Agricultural Development Bank, Ecobank Ghana Ltd, Republic Bank Ghana Ltd, Societe General Bank Ltd and Access Bank Ltd did acknowledge the importance of providing adequate financial details in their annual reports. The implication is that, these banks admitted the important role adequate financial details play in communicating a firm's financial performance to potential shareholders and other accounting information users, which essentially would boost the confidence of potential shareholders and other accounting information users.

Table 3: Rank of overall disclosure level for listed banks operating in Ghana

BANK	MEAN	RANK	REMARKS
Access Bank Ghana Ltd	0.7203	1 st	Above average
Standard Chartered Bank Ghana Ltd	0.7119	2 nd	Above average
Ecobank Ghana Ltd	0.6525	3 rd	Slightly above average
CAL Bank Ltd	0.6154	4 th	Slightly above average
GCB bank Ltd	0.6068	5 th	Slightly above average
Agricultural Development Bank	0.5862	6 th	Average
Republic Bank Ltd	0.5812	7 th	Average
Societe General Bank Ltd	0.5593	8 th	Average
TOTAL DISCLOSURE	0.6294		Slightly above average

Source: Authors computation from 2018 annual reports.

Table 3 revealed an overall total disclosure level mean of 0.6294 for the listed banks operating in Ghana for the 2018 period which was slightly above average. Access Bank Ghana Ltd was ranked first with overall disclosure mean of 0.7203 followed by Standard Chartered Bank Ghana Ltd with mean of 0.7119. Ecobank Ghana Ltd placed third with mean of 0.6525, CAL Bank Ltd fourth with mean of 0.6154, GCB bank Ltd placed fifth with a mean of 0.6068, Agricultural Development Bank placed sixth with mean of 0.5862, Republic Bank Ltd placed seventh with mean of 0.5812, Societe General Bank Ltd placed eighth with mean of 0.5593. This shows that Access Bank Ghana Ltd and Standard Chartered Bank Ghana Ltd means were

above average whereas Ecobank Ghana Ltd, CAL Bank Ltd, GCB bank Ltd means were slightly above average and Agricultural Development Bank, Republic Bank Ltd, Societe General Bank Ltd means were average per the researcher's level of voluntary disclosure scoring guidelines. The implication is that all the 8 listed banks operating in Ghana demonstrated their desire to generate capital from investors in the capital market by providing voluntary details in their annual reports for the 2018 period. This is consistent with the assertions of Choi, 1973; Firth, 1980; Cooke, 1989a; Healy et al., 1999; Diamond and Verrecchia, 1991; Botosan, 1997 and also consistent with the agency theory, capital need theory and signalling theory.

Table 4: Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	Df	Sig.
Total_Disclosure	.163	117	.065	.939	117	.115

Source: Source: Authors computation from SPSS version 21.

Table 4 revealed that, the assumption of normality for the 3 groups of disclosure has been met since the significance value is 0.065 which is greater than 0.05.

Table 5: Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
2.124	2	115	.124

Source: Authors computation from SPSS version 21.

Test for homogeneity of variance in table 5 revealed that the significance value (Sig. = 0.124) is greater than 0.05. This is an indication that the variances in scores are the same for each of the three groups made up of

strategic details, non-financial details and financial details. This means the ANOVA is considered robust since the requirement of homogeneity has been met.

Table 6: Descriptive statistics

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean Lower Bound	Upper Bound	Minimum	Maximum
Strategic details	53	.6534	.39356	.05406	.53775	.75471	.00	1.00
Non-Financial details	26	.6490	.33170	.06505	.51506	.78301	.00	1.00
Financial details	39	.5833	.43992	.07044	.44073	.725934	.00	1.00
Total	118	.6286	.39511	.03637	.55402	.69810	.00	1.00

Source: Authors computation from SPSS version 21.

Descriptive statistics in Table 6 revealed a numerical difference between the means for the 3 groups (that is M=0.6534 for strategic details, M=0.6490 for non-financial details and M=0.5833 for financial details). This suggests that listed banks in Ghana disclosed more information under strategic details as compare to non-financial and financial details for the 2018 period. This is interesting to assume that, listed banks operating in Ghana had a big craving for strategic details and demonstrated that strategic details were more appealing to restore confidence in potential shareholders and other accounting information users than non-financial and financial information. Listed banks operating in Ghana on the other hand disclosed more information under non-financial details than financial details. This

is also right to assume that, listed banks operating in Ghana had an intense craving for non-financial details than financial details and gave credence to the fact that non-financial details included in their 2018 annual reports were more attractive to potential shareholders and other accounting information users than financial details. Though there were numerical differences between the means for the 3 groups, there is no enough evidence to conclude that the differences in means for the type of information voluntarily disclosed by listed banks in Ghana are not significant. Therefore, one way ANOVA was performed to test hypothesis of no significant differences in the type of information voluntarily disclosed by listed banks in Ghana.

Table 7: ANOVA table

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.078	2	.539	6.377	.003
Within Groups	7.183	115	.085		
Total	8.261	117			

Source: Authors computation from SPSS version 21.

ANOVA table is presented in table 7. The F test of 6.377 in the ANOVA table revealed that at least one of the independent variables has a significant difference. The significance value is 0.003 (i.e., $p = 0.003$), which is below 0.05 shows a statistical significant difference between strategic details, non-financial details and financial details. The effect size associated with statistically significance difference between groups calculated using Eta squared shows an effect size of 0.130 which indicates an

intermediate effect according to Cohen (1988) guidelines. Therefore, the null hypothesis of no significant differences in the type of voluntary details disclosed by listed banks operating in Ghana is rejected. Since the ANOVA table did not show which specific groups differed, the Tukey post hoc test was used to measure the statistically significant differences between strategic details, non-financial details and financial details.

Table 8: Tukey HSD Multiple Comparisons

(I) Item	(J) Item	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Strategic details	Non-financial details	-.22477	.07850	.014	-.4120	-.0375
	Financial details	-.23382	.07267	.005	-.4072	-.0605
Non-financial details	Strategic details	.22477	.07850	.014	.0375	.4120
	Financial details	-.00905	.07850	.993	-.1963	.1782
Financial details	Strategic details	.23382	.07267	.005	.0605	.4072
	Non-financial details	.00905	.07850	.993	-.1782	.1963

Source: Authors computation from SPSS version 21.

The Tukey post hoc test in table 8 revealed a statistical significant difference between strategic details and non-financial details with p value of 0.014 (i.e., $p = 0.014$) which is below 0.05. This suggests a measurable difference between strategic details and Non-financial details. This

shows that the difference in mean for strategic details and Non-financial details was substantial to conclude that, the difference was very unlikely to be due to chance. This confirms the assumption that listed banks operating in Ghana had a big craving for strategic details and

demonstrated that strategic details were more appealing to restore confidence in investors and other users of accounting information than non-financial details in their 2018 annual reports.

There is also a statistical significant difference between strategic information and financial information with p value of 0.005 (i.e., $p = 0.005$) which is also below 0.05. This shows that the difference in mean between strategic details and financial details is appreciable to conclude that, the difference was very unlikely to be due to chance. This confirms the assumption that that listed banks in Ghana had an intense craving for strategic details than financial details and gave credence to the fact that strategic details included in their 2018 annual reports were more attractive to potential shareholders and other users of accounting information than financial details. However, there is no statistical significant difference between non-financial details and financial details since the p value of 0.993 (i.e., $p = 0.993$) is greater than 0.05.

5. Conclusion

The study assessed the level of voluntary details disclosed by listed banks operating in Ghana in their annual reports for the 2018 period and also determined the variations in the types of information voluntarily disclosed by listed banks in Ghana. The overall total voluntary disclosure level mean of 0.6294 is an indication that voluntary disclosure level among listed banks operating in Ghana was slightly above average (per the researcher's level of voluntary disclosure guidelines). Access Bank Ghana Ltd made the highest level of overall voluntary disclosure with mean of 0.7203 followed by Standard

Chartered Bank Ghana Ltd with mean of 0.7119. Ecobank Ghana Ltd followed with mean of 0.6525, then CAL Bank Ltd with mean of 0.6154. GCB bank Ltd was next with mean of 0.6068, followed by Agricultural Development Bank with mean of 0.5862. Republic Bank Ltd was next with mean of 0.5812, and followed by Societe General Bank Ltd with mean of 0.5593. Access Bank Ghana Ltd had the highest voluntary disclosure with mean of 0.8113 for the strategic details followed by Standard Chartered Bank Ghana Ltd with mean of 0.7170. Access Bank Ghana Ltd and Standard Chartered Bank Ghana Ltd means were 0.8462 each for non-financial details. However CAL Bank Ltd had the highest mean of 0.6667 for financial details followed by GCB Bank Ltd and Standard Chartered Bank Ghana Ltd with means of 0.6154 each. Agricultural Development Bank and Ecobank Ghana Ltd followed next with means of 0.5897 each. Republic Bank Ghana Ltd and Societe General Bank Ltd were next with means of 0.5385 each. Access Bank Ltd then followed with mean of 0.5128. The results for Standard Chartered Bank Ghana Ltd which indicated mean of 0.717 for strategic details, 0.8462 for non-financial details and 0.6154 for financial details may suggest that Standard Chartered Bank Ghana Ltd disclosed more information with regards to investor's information needs than Access Bank Ghana Ltd and other listed bank. All the 8 listed banks operating in Ghana had shown their desire to raise capital from the capital market by disclosing voluntary details in their 2018 annual reports.

The Tukey post hoc test showed a statistical significant difference between strategic details and non-financial details

and a statistical significant difference between strategic details and financial details indicating a measureable difference between the 3 groups of voluntary disclosure and confirming that listed banks operating in Ghana had a big craving for strategic details than non-financial details and financial details in the 2018 annual reports. However, there is no statistical significant difference between non-financial details and financial details.

It is recommended that adequate voluntary information comprising of strategic details, non-financial details and financial details must be provide in the annual reports of entities in need of capital from the capital market to guarantee transparency, consistency, reliability and comparability of annual reports and go on to influence the economic decision needs of potential shareholders and other accounting information users.

On that note, future research for the extent of information needs for investors as well as other accounting information users is needed.

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VOLUNTARY DISCLOSURE CHECKLIST

1	STRATEGIC DETAILS
	General Corporate Details
1	Brief history of company
2	Description of the organizational structure
3	Description of principal services
4	Description of the major subsidiaries and properties
5	Description of marketing network for services
6	Client analysis
7	Number of customers
8	Transitions through digital channels
9	Accounts openings by digital means
10	Transactions using debit cards
11	Information on brand value
12	Awards and recognition
13	Description of commercial banking activity

14	Description of retail banking activity
15	Description of corporate banking activity
16	Description of public sector banking activity
17	Description of investment banking activity
18	Information on best business practice
19	Remuneration structure of directors
20	Download volume of mobile applications
21	Countries of presence and operation
22	Digital evolution
23	Notice of meeting
24	Information on branches
25	Information on advisors and auditors
	Corporate Strategy
26	Statement of strategy, Policy and objectives - general
27	Statement of strategy, Policy and objectives - financial
28	Statement of strategic business operation
29	Strategic development on current results
30	Strategic development on future results
31	Impact of technology on current banking activity
32	Technological factors influencing future activity
33	Discussion on past industry tendencies
34	Discussion on future industry tendencies
35	Description of activities with government entities
36	Description of security operation on banking activity
37	Development of new products /services
38	Sustainable report
39	Information on risk management
40	Client satisfaction survey
41	Client satisfaction survey results
42	Client complaint management

	Research and Development
43	Corporate policy on research and development
44	Location of research and development activities
45	Number employed in research and development
	Future Prospects
46	Qualitative forecast of sales
47	Quantitative forecast of sales
48	Qualitative forecast of profits
49	Quantitative forecast of profits
50	Qualitative forecast of cash flows
51	Quantitative forecast of cash flows
52	Current period trading results - qualitative
53	Current period trading results - quantitative
2	NONFINANCIAL DETAILS
	Details on Directors
54	Age of the directors
55	Educational qualifications (academic and professional)
56	Commercial experience of the executive directors
57	Other directorships held by executive directors
58	Affiliation of directors with other organizations
59	Information on Board meeting
60	Functions/ responsibility and authority of board
	Details on Employees
61	Information on management team
62	Number of employees
63	Categories of employees by gender
64	Human Resources: training and development of employees
65	Amount spent on training
66	Nature of training
67	Number of employees trained
68	Information on female empowerment
69	Information on Internship programme

70	Responsible business practice
71	Equal opportunity policy statement
72	Categories of employees trained
73	Special report on employees and social activities
	Social Policy Details
74	Environmental protection programs (Health, safety, well-being)
75	Charitable donations (amount)
76	Community programs (general)
77	Political and social factors influencing future activity
78	Relationships in social networks
79	Financial education and inclusion
3	FINANCIAL DETAILS
	Segment Details
80	Capital expenditures, Investments - quantitative
81	Competitor analysis - qualitative
82	Competitor analysis - quantitative
83	Market share analysis – qualitative
84	Market share analysis - quantitative
85	Information on depreciation
86	Advertising information (information) - qualitative
87	Advertising expenditure (amount) - quantitative
88	Effects of inflation on future operations - qualitative
89	Effects of inflation on results - qualitative
90	Effects of inflation on results - quantitative
91	Effects of inflation on assets - qualitative
92	Effects of inflation on assets - quantitative
93	Effects of interest rates on results
94	Effects of interest rates on future operations
95	Economic factors influencing future activity
96	Treasury bill rate
	Financial Review
97	Cash flow ratios

98	Liquidity ratios
99	Return on assets
100	Return on equity
101	Capital adequacy ratio
102	Other financial ratios
103	Financial highlights
104	Dividend payout policy
105	Financial history or summary – five or more years
106	Information on fixed assets variations
107	Value added statement
108	Value added data
109	Value added ratios
110	Qualitative value added information
	Foreign Currency Information
111	Effects of foreign currency fluctuations on results - qualitative
112	Major exchange rates used in the accounts
113	Foreign currency exposure management description
	Stock Price Details
114	Market capitalization and financial operations
115	Trend of Historical share price
116	Size of shareholdings
117	Type of shareholder (Structure of ownership)
118	Shareholders names

LIST OF ABBREVIATIONS

AIMR - Association for Investment Management and Research

AMEX - American Express Company

ANOVA - Analysis of variance

BOG - Bank of Ghana

CPA – Certified Public Accountant Firm

CSD - Corporate Strategy Details

DoD - Details on Directors

DoE - Details on Employees

FCD - Foreign Currency Details

FD - Financial Details

FPD - Future Prospects Details

FRD - Financial Review Details

GCD - General Corporate Details

GSE - Ghana Stock Exchange

MNCs - Multinational Corporation

NFD - Nonfinancial Details

NYSE - New York Stock Exchange

OTC - Over-The-Counter

R&D - Research and Development
R&D - Research and Development Details
SeD - Segment Details
SPoD - Social Policy Details
SPrD - Stock Price Details

StD - Strategic Details
TD – Total Disclosure
UNCTAD – United Nations Conference on
Trade and Development
VDI - Voluntary Disclosure Index