Comparing innovative alternative assurance practices in emerging markets

Abstract

This study explores how publicly listed companies in South Africa and Nigeria, two emerging African countries, have innovatively applied alternative forms of assurance and disclosures to boost their internal operations and the external credibility of their financial and non-financial reporting processes. It also illustrates how adoption may be improved, with respect to the actions that should be taken and the information that should be disclosed. These are explored using an assurance quality measure (AQM) developed by considering six key innovative assurance indicators. Using content analysis, the AQM was applied to the annual/integrated (and, where applicable, sustainability) reports of the selected companies to identify the disclosed assurance indicators. Despite finding that assurance practices appear adequately designed according to the processes and application guidelines in the respective countries, the selected companies in each country did not consistently apply the tenets of the alternative forms of assurance, instead focusing on a few material issues rather than the entire organisational operations. Although combined assurance model adoption is voluntary and not mandatory in South Africa, compliance with the alternative assurance services in Nigeria is mandatory and not voluntary. Nevertheless, South African companies appear to have improved adoption of alternative assurance practices when compared to their Nigerian counterparts. In this regard, we illustrate how adoption and consistent application could be improved and disclosed, providing insight into the possible reasons for these findings. We conclude by providing avenues for further research.

Keywords: corporate reporting, combined assurance, engagement theory of assurance, organisational reporting, other assurance service providers

JEL Codes: M41; M42

1. Introduction

This paper examines the emergence of alternative forms of assurance (internal and external) as internal enterprise risk management tools (Ackers, 2009), ensuring that the universe of risks likely to affect organisational operations have been effectively mapped and are being mitigated within the organisation's risk appetite (Dubihlela and Solomon, 2024; Prinsloo and Maroun, 2020; Maroun and Prinsloo, 2020; Institute of Directors South Africa (IoDSA), 2016). Disclosure of assurance practices relating to financial and non-financial performance enhances the external integrity and credibility of organisational reporting (Sonnerfeldt and Pontoppidan, 2020; IoDSA, 2016, 2009; Cohen and Simnett, 2015). Despite not being mandatory in most jurisdictions, organisations around the world are adopting, implementing, and disclosing emerging alternative forms of assurance over their financial and non-financial disclosures, to improve external perceptions about their organisations (Maroun, 2019; PWC, 2019).

Although assurance practices appear to have improved recently, comprehensive research into emerging assurance practices remains scarce (Badertscher et al., 2023; Farooq and de Villiers, 2018). The primary conventional sources of organisational assurance include both internal and external, and often internal risk management (Hemrit, 2018), collectively providing coordinated assurance services (Ampri and Adhariani, 2019; Decaux and Sarens, 2015; Forte and Barac, 2015). However, these traditional assurance services are seldom deemed adequate (Ampri and Adhariani, 2019; PWC, 2019), introducing a need for internal audit to go beyond the conventional notion of overseeing organisational controls, risk, and governance (Wolters Kluwer, 2021; Briem and Wald, 2018). Engaging with other external assurance providers could improve internal operations and external organisational reporting. The inadequacy of traditional assurance is highlighted by recent high-profile corporate and organisational failures (PWC, 2019; BDO, 2018; Chikwiri and Rosa, 2015), identifying a growing need for a more integrated approach to assurance (Liao, Lin and Zhang, 2018; Cheng et al., 2014). This should include other assurance providers, such as sustainability auditors, independent actuaries, and arguably also regulatory inspectors (IoDSA, 2016, 2009, Forte and Barac, 2015). Organisations should therefore explicitly describe how they operationalise and gauge the quality of different sources of assurance on the annual/integrated report disclosures (Maroun and Prinsloo 2020, Ballou, Chen, Grenier and Heitger 2018, Decaux and Sarens 2015). This need is further sustained by the quest for greater corporate social responsibility that considers the interests of a wider stakeholder base, extending beyond the providers of financial capital (Maroun, 2020; Ackers, 2009). Emerging assurance practices such as combined assurance, or other assurance services, such as sustainability or biodiversity assurance, are considered innovative alternative forms of assurance, requiring organisations to extend the scope of assurance practices beyond the traditional assurance roles of internal and external audit, and enterprise risk management.

Several studies have been conducted into innovative alternative forms of assurance (such as Adebayo and Ackers, 2023; Maroun and Prinsloo, 2020; Prinsloo and Maroun, 2020; Decaux and Sarens, 2015), and the combined assurance model in particular. However, prior research on the various types of assurance practices, in different institutional settings, does not appear to have been explored in a single study. In their study of the combined assurance practices of selected South African listed companies, Prinsloo and Maroun (2020) noted the need for additional studies into other forms of assurance, arguing that this was key in furthering research on assurance practices. Thus, this study accordingly focuses on the emergence of innovative alternative assurance practices in two different emerging institutional settings. Namely, South Africa and Nigeria, to explore the extent to which listed companies in these countries have utilised these alternative forms of assurance and the extent to which these have been disclosed in their annual/integrated reports. Combined assurance provides the board with holistic assurance on the effectiveness of systems of risk management and internal control, by coordinating disparate assurance activities from various sources (Decaux and Sarens, 2015). Alternative assurance involves independent and professional assurance services provided by assurance providers, other than external auditors, to reduce information risk and improve the quality or context of information for decision-makers (FRC, 2020).

The primary objective of this study is to explore the extent to which companies listed in South Africa and Nigeria have adopted and disclosed their innovative alternative assurance practices. The contemporary academic discourse on alternative forms of assurance emphasises the importance of adopting and disclosing comprehensive assurance practices (García-Sánchez et al., 2023; Maroun, 2022; Phang and Hoang, 2021; Bedford et al., 2021; Donkor, Djajadikerta, and Mat Roni, 2021; Prinsloo and Maroun, 2020; Sonnerfeldt and Pontoppidan, 2020; Ampri and Adhariani, 2019; Liao et al., 2018; Cohen et al., 2015; Decaux and Sarens, 2015). To enhance external perceptions about the veracity of their organisational reporting, it is crucial that these practices are disclosed by organisations implementing these alternative assurance practices. To improve implementation consistency, we identify how these assurance practices could be disclosed in organisational reports. The purposive selection of the two countries for this study is based on these voluntary alternative forms of assurance emerging quasi-mandatory in South Africa and Nigeria, with resultant implications for the contemporary academic discourse on voluntary and mandatory frameworks. Since comparative studies have not been conducted on alternative assurance practices in more than one country, not much is known about these alternative forms of assurance in different jurisdictions. Nor have studies examined how organisations have disclosed these assurance practices in their annual/integrated reports (Maroun and Prinsloo, 2020), which could influence the extent of reliance that stakeholders may place on the underlying reports (Hoang and Phang, 2021), resulting in a paucity of research in this emerging area of assurance. Alternative assurance practices entail the services provided by both internal and external sources of assurance. Whereas internal assurance sources include internal auditing and risk management, tending to focus on internal control activities (Holt, 2019), external assurance sources include independent external third parties such as external auditors, valuators, attorneys, standards organisations, and regulatory bodies, depending on the context and the organisational needs (Maroun and Prinsloo, 2020; Financial Reporting Council of Nigeria, 2020).

The institutional settings for this study are South Africa and Nigeria, representing the largest and second-largest African economies (World Bank, 2024a & b). South Africa's status as one of the leading countries developing innovative alternative assurance practices, such as combined assurance, makes it an appropriate setting for studying emerging assurance practices (Zhou, Simnett, and Hoang, 2019). Moreover, alternative assurance practices have been part of the South African corporate governance environment since 2002 (Maroun and Prinsloo, 2020), contributing to ensuring the credibility and integrity of integrated and sustainability reporting (IoDSA, 2016, 2009). Research accordingly often examines assurance practices in a South African context (Prinsloo and Maroun, 2020; Zhou et al., 2019). Given the emergence of alternative assurance, in addition to the traditional assurance practices, Nigeria may be compared with South Africa. Furthermore, Nigeria and South Africa have similar overall GDPs. Both South Africa and Nigeria offer different innovative forms of alternative assurance practices, providing appropriate settings for examining emerging forms of alternative assurance. Although this study could have compared alternative assurance practices in Namibia to those of South Africa, Namibia has already adapted many of the South African practices. Both South Africa and Nigeria have similar institutional arrangements for regulating listed companies. The Companies Act No.71 of 2008 (the "Companies Act") is the primary legislative framework governing companies incorporated in South Africa (JSE, 2021), with the Financial Markets Act No. 19 of 2012 being the legislative framework regulating South African financial markets (JSE, 2021), while the Johannesburg Stock Exchange (JSE) regulations provide guidance to all companies listed on the JSE. In Nigeria, the Companies and Allied Matters Act 2020, as amended, is the primary legislative framework governing companies incorporated in Nigeria (Nigerian Stock Exchange, 2023), while the Nigerian Stock Exchange (NSE) Rulebook contains a compilation of all the rules, regulations, and guidelines of the Exchange (NSE, 2023).

South African and Nigerian listed companies are generally required to comply with, and/or explain their reporting requirements as set out by the Institute of Directors (IoDSA) in South Africa and the Federal Reporting Council (FRC) in Nigeria, respectively. This includes adopting the provisions relating to alternative forms of assurance. It is pertinent to note that the JSE requires companies with primary JSE-listings to adopt the King IV[1] principles, including adopting a combined assurance model (BDO, 2018). Unlike previous iterations of the King Reports that required organisations to explain why certain principles may not have applied, King IV now also requires organisations to explain how these have been applied. Thus, South African organisations should formally disclose how they have complied with the King IV assurance principles. Although the Nigerian FRC and Audit Regulations do refer to "other assurance services", the scope of these services is not clearly defined. It can nevertheless be concluded that despite not being prescribed mandatory requirements, the authorities in both countries have acknowledged the need to extend assurance practices to address the growing need for report users to receive a level of assurance about the veracity of organisational financial and non-financial disclosures, especially relating to material disclosures, or non-disclosures, which could have future consequences.

Following insights on the assurance practices that Decaux and Sarens (2015) suggest companies should provide, we develop an assurance quality measure (AQM) (Prinsloo and Maroun, 2020), taking six key innovative assurance indicators into account (Adebayo and Ackers, 2023; Prinsloo and Maroun, 2020; Decaux and Sarens, 2015). This allows us to use content analysis to understand how listed companies in the two countries disclosed their combined assurance and alternative assurance practices. While it appears that assurance practices were adequately designed in terms of processes and application guidelines in both countries, in neither country did the sampled companies appear to consistently apply the requirements of these alternative forms of assurance, instead focusing on a few material issues rather than on the entire organisational operations. Not unexpectedly, given its global leadership in corporate governance and assurance, the adoption of alternative assurance practices of

[1] King IV, which refers to the fourth iteration of the King Reports on Corporate Governance in South Africa, describes the philosophy, principles, practices and outcomes informing the corporate governance practices in the South African public and private sectors. It contains 17 principles, one of which applies to institutional investors only, 16 of which applies to any organisation, all of which is required to substantiate a claim that good governance is being practiced (IoDSA, 2016)

South African companies appears better than their Nigerian counterparts.

Responding to the call for studies on emerging types of alternative forms of assurance, this paper makes four primary contributions. The first describes alternative assurance practices in the two countries. The second explores the extent to which listed companies in South Africa and Nigeria conform with the application, explanation, and reporting on the six key indicators of assurance practices (AQM). The third highlights the importance of encouraging organisations to disclose their assurance practices in a consistent and comparable format, especially on important issues such as assurance, as explored in this study. The fourth illustrates how conformance may be improved, relating to the actions that should be taken and information that should be disclosed in reporting documents.

The remainder of this paper is organised as follows. Following the introduction, the institutional context is described. The next section provides literature on assurance practices. Thereafter, the typical innovative assurance practices that organisations should disclose in their integrated/annual reports, considering generic assumptions as well as emerging assurance practicesin the two countries included in the study. The engagement theory of assurance is discussed before considering the research methodology in section three. The analysis, interpretation, and discussion of the results are presented in section four. Section fivediscusses the study implications and concludes by providing areas for further research.

1.1. Institutional settings – South Africa and Nigeria

South Africa boasts the most sophisticated economy in sub-Saharan Africa (USA, 2024a) and represents the largest economy on the African continent (Statista, 2024), with an overall GDP of USD377.8 billion (per capita GDP of USD6,253) in 2023 (World Bank, 2024a). South Africa has stable institutions, an independent judiciary, a robust legal sector, a free press, a mature financial and services sector, and experienced local partners (USA, 2024a). The rights and interests of South African stakeholders are protected by a combination of regulations, legislation, and voluntary governance codes aimed at promoting organisational accountability and transparency, including other forms of assurance practices. JSE-listed companies are expected to apply the King IV provisions, making it a quasi-mandatory requirement for JSE-listed companies. King IV specifically requires companies to apply the combined assurance model, as discussed in Section 1.1.1 below. In August 2024, the 275 companies listed on the JSE had a total market capitalisation of USD1,011 trillion (Listcorp, 2024).

Nigeria is the second-largest emerging nation in sub-Saharan Africa, behind South Africa. It has an overall GDP of USD 362.8 billion (per capita GDP of USD 1,621) in 2023 (World Bank, 2024b). Compared to South Africa, Nigerian institutions are not as stable, the legal system is not as robust, but the financial institutions appear strong (USA, 2024b). As in South Africa, the rights and interests of Nigerian stakeholders are protected by a combination of regulations, legislation, and voluntary governance codes, aimed at promoting organisational accountability and transparency, including other forms of assurance practices (USA, 2024b). The Federal Reporting Council of Nigeria mandates that companies listed on the Nigerian Stock Exchange report on their overall assurance procedures under a provision termed "Other Assurance Services" (FRC, 2020). In August 2024, the 151 companies listed on the Nigerian Stock Exchange had a total market capitalisation of USD33.95 billion (African 'Xchanges, 2024; Nigerian Exchange Group, 2024). Apart from many of South Africa's listed companies being relatively larger (in terms of market capitalisation), no significant differences exist between JSE and NSE-listed companies. Companies in both countries have primary or secondary listings on other global stock exchanges.

Because of the success of the various iterations of the King Codes of Governance, it may be argued that South African listed companies are better regulated than Nigerian companies, with South African listing requirements more sophisticated and less ambiguous. For example, companies listed on the JSE must adopt the King IV principles and explain how this has been achieved. Since King IV requires integrated reports to be prepared, most South African companies prepared integrated reports when compared to Nigerian companies, as seen in Appendix 1. Since integrated reports contain more information about how organisations create and sustain value, compared to conventional annual reports, it may be concluded that South African listed companies disclose more robust information than their Nigerian counterparts, as illustrated by Appendix 1.

1.1.1. Assurance practices in South Africa and Nigeria

There has recently been an increasing demand for assurance services (PWC, 2021; Prinsloo and Maroun, 2020), beyond conventional internal and external auditing, highlighting the importance of other emerging forms of assurance, such as combined assurance and other alternative assurance services. It has accordingly become necessary for organisations to consider integrating and aligning their assurance processes to ensure that both internal and external risks are mitigated, governance oversight is optimised, and control inefficiencies are eliminated (Engelbrecht, 2009). Coordinating different types of assurance processes can help ensure efficiency, maximise value generation, mitigate adverse social and environmental impacts, and enhance the quality of reporting to stakeholders

(Prinsloo and Maroun, 2020; Forte and Barac, 2015). Hoang and Phang (2021) have shown that communicating assurance practices enhances perceptions about the reliability of reported information that investors may have, and their willingness to invest. Zhou et al. (2019) also demonstrated how adopting an assurance practices model can influence the accuracy of analysts' forecasts and dispersion.

As described above, apart from the quasi-mandatory requirement for JSE-listed companies to implement a combined assurance model, South Africa and Nigeria have similar frameworks regulating their assurance practices. Although the provision of alternative assurance practices and the disclosure thereof tend to be voluntary in most reporting jurisdictions, there has been a contemporary increase in demand for the use and disclosure of other forms of assurance practices (KPMG, 2021; Maroun and Prinsloo, 2020; Prinsloo and Maroun, 2020).

South Africa's combined assurance model was originally introduced by King III in 2009 (IoDSA, 2009) and has since been incorporated in Principle 15 of the subsequently released King IV (IoDSA, 2016). King IV essentially requires the audit committee to ensure that a combined assurance model is in place and applied in such a way that provides a coordinated approach to all assurance activities. Combined assurance assists in overcoming information asymmetry arising from the agency problem (BDO, 2017; Ackers, 2014), by ensuring that an organisation's overall exposure to material risk is effectively covered by the "lines of defence" (IoDSA, 2016; Ackers, 2014).

Whereas King III, initially introduced management, internal assurance providers, and external assurance providers as the "three lines of defence" in the combined assurance model, King IV revised the combined assurance model to include the "five lines of assurance", by including the governing body, other external assurance providers, the audit committee, and regulatory inspectors (Distribution and Warehousing Network 2018, IoDSA, 2016). However, King IV does not prescribe how organisations should design and deploy the combined assurance model, leaving its implementation to the organisation's discretion.

King IV's revision of the parties to a combined assurance model and the change from lines of defence to lines of assurance, does not alter the goal of combined assurance originally initiated by King III, namely, leveraging and harnessing the work of various assurance providers, the different types of assurance engagements, as well as relevant external regulators involved with providing assurance on different aspects of the activities of organisations. King IV's refinement of the combined assurance model introduced the concept of horizontal and vertical relationships regarding the depth and reach of assurance providers (IoDSA 2016). Examples of external assurance providers include, inter alia, the

Independent Communications Authority for telecommunications companies, the South African Bureau of Standards and the Health and Safety Commission for manufacturing companies, the Civil Aviation Authority for airline companies, as well as other independent third-party assurance providers.

The equivalent of South Africa's combined assurance model in Nigeria is termed "Other Assurance Services" by the FRC. The FRC notes that other assurance service providers exclude external auditors and provide independent and professional opinions or reports that may reduce information risk and improve the quality or context of information for decision-makers (FRC, 2020). The FRC requires these assurance providers to be used for reporting material issues. The exclusion of external auditors from the list of external assurance service providers by the FRC is a notable difference in assurance practices in the two countries, as the reports of listed companies in South Africa indicate that external auditors also perform some assurance services, with the IoDSA also noting that external auditors are part of external assurance service providers. External auditors are taken as given by the FRC in the financial (and non-financial if engaged by companies) reporting process. Thus, they are not seen as part of the providers of external assurance services. The Council further notes that external assurance services include the services of all external professionals engaged by management in the financial reporting process.

These other assurance service providers include actuaries, property valuers, valuation specialists, tax consultants, information technology specialists, legal counsel, corporate governance specialists, and so on (FRC, 2020). In the context of Nigeria, these external assurance providers are required to register with the FRC for reasons that they may be held responsible for any assurance they provide on material issues reflected in the annual/integrated reports of organisations, should the outcomes of such assurances materially differ from those assured. In this instance, their operations include estimating the likely costs of future events such as ongoing litigation or valuing property used for financing purposes. The activities of these assurance providers are controlled by the FRC using different forms of sanctions, such as suspension of their registration. The practice in Nigeria closely mirrors the ISAE 3000 – Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the IAASB (2013), where assurance providers are to abide by certain codes of conduct.

2. Background and literature

The changing view of organisations external reporting in terms of incorporating non-financial information along with financial information (Farooq and de Villiers, 2019) is sustaining the call for reports to contain some other innovative forms of assurance practices aside from the traditional ones delivered by internal and external auditors (Maroun and Prinsloo; 2020, Prinsloo and Maroun, 2020) meaning that there is anexpectation that organisations are to disclose both their internal and external assurance practices and engagements in their annual/integrated reports on both financial and non-financial information. Such a disclosure is expected to consider issues such as the working relationship between firms and their assurance providers (especially in cases where assurance providers have been engaged for multiple assurance provisions. For example, engaging the same external auditors to provide assurance on both financial and non-financial information, such as sustainability and environmental information, the scope of assurance provided, as well as explanations relating to the provisionof internal and external assurance (Prinsloo and Maroun, 2020). This has resulted in several reporting jurisdictions tightening their reporting requirements for organisations and prescribing different assurance provision requirements. In this context, the CGF Research Institute (2019) argues that this will result in the implementation of a reliable corporate governance framework, thereby demonstrating the board's commitment to good corporate governance practices. The increased demand for alternative assurance services appears to be shaping the financial and non-financial reporting landscape. The decision by the International Auditing and Assurance Standards Board (IAASB) to revise ISRS 4410 (engagements to compile financial statements) and ASRE 2400 (engagements to review financial statements) (IAASB, 2013) in order to promote awareness of other services accountants may provide, including assuring non-financial information, and other assurance services and combinations of services, and for the purposes of developing other services for meeting user needs, further strengthens the need for assurance services.

Assurance and assurance services are ever-evolving practices that cut across three major subject areas in business and management: accounting, auditing, and corporate governance. In line with the dynamic nature of assurance and assurance practices, Beaulieu (2003) suggests that when decision-makers face novel assurance services that can be tailored for specific clients, they must be integrated into existing categories of assurance—a cognitive process referred to as post-classification. This author then uses three bodies of literature (classification research in accounting, assurance theory, and cognitive psychology) to propose a paradigm for empirically studying assurance services. Beaulieu's (2003) proposal to add new types of assurance to existing categories does not seem to have led to much convergence, since many of the emerging alternative assurance practices do not fit into existing categories, with new types of assurance providers being different from traditional providers.

The assurance and assurance services literature in accounting has mainly focused on assurance classification, assurance level, risk, and non-financial assurance (Badertscher et al., 2023; Erin, Okoh and Okika, 2023; Jeriji and Nasfi, 2023; Phang and Hoang, 2021; Farooq and de Villiers, 2018; Briem and Wald, 2018; Beaulieu, 2003). The assurance and assurance services literature in auditing has mainly focused on adopting and applying assurance models, quality of implementation and application, and non-financial assurance (Adebayo and Ackers, 2023; Bedford et al., 2021; Donkor, Djajadikerta, and Mat Roni, 2021; Prinsloo and Maroun, 2020; Sonnerfeldt and Pontoppidan, 2020; Ampri and Adhariani, 2019; Cohen et al., 2015; Decaux and Sarens, 2015); while the assurance and assurance services in corporate governance has mainly focused on governance and non-financial information assurance (García-Sánchez et al., 2023; Maroun, 2022; Liao et al., 2018).

This current study cuts across these three subject areas highlighted above, especially accounting and auditing. In this context, we extend the contemporary academic discourse on assurance and assurance services in accounting with regards to classification, highlighting the difference between combined assurance and other assurance services; risk assurance, highlighting that the entire universe of risks must be mapped; and non-financial assurance, highlighting that data and disclosures do not necessarily have to have a financial component to be assured. Further, we extend the contemporary academic discourse on assurance and assurance services in auditing by demonstrating how combined assurance and other emerging forms of alternative assurance could be applied to organisational disclosures. In terms of corporate governance, we extend the contemporary academic discourse on assurance and assurance services by emphasising that the assurance process starts and ends with management, overseen by the audit committee, and that data and disclosures do not necessarily have to be financial to be assured.

We organise the literature review into three parts. In Section 2.1, we discuss assurance quality measures. In Section 2.2, we discuss empirical studies on other relevant forms of assurance practices explored in this study. In Section 2.2.1, we discuss the engagement theory of assurance.

2.1. Assurance quality measure (AQM)

The above discussion indicates that describing assurance practices over organisational reporting, and the processes detailed in the production of their annual/integrated reports, should, aside from improving internal organisational operations and transparency, also instill users and stakeholders with confidence that those reports have been subjected to adequate quality control. In the context of emerging African economies, South Africa is considered a leading country for emerging innovative alternative assurance practices. Hence, South Africa is considered an appropriate setting for studying assurance practices (Zhou, Simnett, and Hoang, 2019), due in part to its innovative combined assurance model, offering a key jurisdiction for research into assurance practices (Prinsloo and Maroun, 2020; Zhou et al., 2019). As noted earlier, the characteristics of Nigeria's assurance practices are similar to South Africa. Despite these similarities, Nigeria offers different innovative forms of assurance practices than South Africa, making the two countries appropriate settings for learning about emerging assurance practices. Moreover, as described earlier, South Africa and Nigeria have similar institutional arrangements regulating the activities of listed companies.

To investigate and compare the emerging alternative assurance practices, a composite measure (AQM) (Adebayo and Ackers, 2023; Prinsloo and Maroun, 2020) reflecting the assurance practices that should be conducted and described in organisational reports are discussed below (Adebayo and Ackers, 2023; Prinsloo and Maroun, 2020; Decaux and Sarens, 2015). Decaux and Sarens (2015) asserted that organisational reports should disclose at least six indicators addressed by management in the course of their internal and external operations, which translates into the annual/integrated reports used by stakeholders. The authors further argued that identifying the assurance providers and describing the assurance procedures are essential to ensure that organisations have clear accountability models. The six indicators identified by Decaux and Sarens (2015) that should be disclosed are:

i. Identifying all the assurance providers and listing the scope of the assurance engagements, especially the organisation’s external providers (Assurance Mapping). For example, linking each assurance provider with the specific services provided.
ii. Defining the scope of an organisation's assurance practices (Assurance Modelling). For example, describing how an organisation has developed an assurance protocol that incorporates the activities of other assurance providers.
iii. Providing a report on the availability of a risk/governance/audit committee charged with ensuring that the assurance processes are adhered to (Assurance Committee). For example, having a separate assurance committee or subcommittee to address the organisation’s assurance needs.
iv. Describing assurance procedures in the report, indicating the approach taken to address certain issues requiring assurance (Assurance Procedure). For example, describing how each assurance provider has undertaken their assurance engagement and reached their conclusions.
v. Implementing assurance services covering all material issues and significant estimates contained in an organisation’s annual/integrated report (Assurance Coverage). For example, identifying all

the material risks and ensuring that the assurance procedure addresses the identified risks.

vi. Describing how the governance committee has monitored the relationship between the external assurance providers and the company, and how it has ensured that the assurance has addressed the significant identified risks facing the organisation. Or, where the former is not in place, at least providing a review statement by a responsible committee on the assurance services provided (Assurance Committee Review). For example, the audit committee reports the significant findings of all assurance engagements in the organisation's annual/integrated reports.

Despite being self-explanatory, the indicators reflected above are briefly discussed below.

2.1.1. Assurance mapping

A comprehensive assurance process involves a mix of internal and external assurance providers (Masegare, 2018; Anderson et al., 2017). Assurance mapping, therefore, means that an organisation’s reports should identify both internal and external assurance providers, as well as list the scope of the assurance activities, especially the external providers, which clarifies their respective roles in the organisational accountability model (Decaux and Sarens, 2015). To reduce ambiguity, it is necessary to carefully map the assurance model, reflecting all the involved parties. Thus, adopting and implementing assurance practices require organisations to identify and list all assurance providers and map them according to their respective contributions to the assurance process, not confined to the significant risks (IoDSA, 2016; Decaux and Sarens, 2015). This simplifies the ability to identify all the assurance providers covering each area and assists in understanding the scope of their respective responsibilities.

2.1.2. Assurance modelling

Since most assurance services are voluntary, not mandatory, the scope of assurance activities is likely to vary considerably across different organisations, resulting in the emergence of innovative assurance practices. Thus, modelling how organisations have implemented assurance practices is key to understanding emerging assurance practices, reflecting how innovatively and distinctively organisations describe their assurance practices. Some organisations may even include diagrammatic illustrations of their assurance practices (FirstRand integrated report, 2020). When correctly modelled, this aligns the scope of various assurance engagements with the different assurance providers (Masegare, 2018; Decaux, and Sarens, 2015).

2.1.3. Assurance committee

The internal audit function is usually the first point of call in the assurance model (Wolters Kluwer, 2021). Establishing an assurance committee to implement and embed the assurance practices (García-Sánchez et al., 2021; Chikwiri and Rosa, 2015) is key to implementing an effective assurance process. Thus, establishing an assurance committee is imperative for ensuring that various aspects of an organisation's combined assurance process are addressed and consistently adhered to. Organisations should ensure they receive cost-effective assurance services, covering the identified areas, from suitably skilled assurance providers with appropriate and relevant expertise (Decaux and Sarens, 2015). Such a committee permits participants to consider various aspects of the assurance process, such as the perspectives of the assurance providers, the assurance activities being done, the assurance activities being planned, and the identified areas of concern. One of the key advantages is that such a committee can provide management and the board with up-to-date information on assurance coverage, utilising a defined framework for consistently reporting assurance practices. This would facilitate effective communication of the status of assurance practices while providing guidance and direction (Decaux and Sarens, 2015).

2.1.4. Assurance procedure

Various types of procedures may be applied when providing assurance services, such as substantive tests, management inquiry, analytic reviews, etc. (Prinsloo and Maroun, 2020), the application of which largely depends on the type of assurance being provided. It is, however, important for assurance providers to comprehensively describe the procedures involved in assuring material issues, including significant estimates provided in annual/integrated or other organisational reports. This requires engagement between internal and external assurance providers and management and those charged with governance. This approach ensures that assurance providers deploy appropriate procedures to address material issues before reaching a conclusion (Maroun, 2017).

2.1.5. Assurance coverage

In addition to a balanced assurance team (Prinsloo and Maroun, 2020), the FRC in Nigeria requires organisations to ensure that the scope of assurance services adequately addresses the universe of risks requiring assurance. However, a balanced team does not necessarily mean balanced coverage, which entails mapping the entire universe of risks and ensuring that these risks are adequately addressed by assurance providers and communicated to management, who would initially have been involved in mapping some of the risks. In addition to management's initial risks mapped, other risks may also materialise depending on the organisation's operating context and issues that may arise in a reporting period. This appears to be the most rigorous of the indicators (Prinsloo and Maroun, 2020; Decaux and

Sarens, 2015).

2.1.6. Assurance committee review

The governing body assumes responsibility for assurance by setting the direction for the assurance services (IoDSA, 2016). In most cases, the governing body delegates responsibility for ensuring that those arrangements are working to the audit committee, if in place. The function of this committee is to foster the development of an effective internal control environment, to support the reliability of information used for internal decision-making by management, the governing body, and its committees, while supporting the credibility of external reports.

According to King IV, Principle 15(40), everything starts and ends with the governing body. It is therefore noteworthy that the audit committee, which is typically a subcommittee of the board to which certain oversight responsibilities are delegated, is the most powerful element in the assurance model. Not only does King IV require the audit committee to establish an assurance model, but it should also oversee its implementation, based on the scope determined by its evaluation of the material risks and opportunities (Deloitte, 2016). It is therefore, imperative that the annual/integrated reports of organisations describe how the audit committee (or any special committee, or forum established for this purpose) has ensured a smooth working relationship between external and internal assurance providers, and the organisation as a whole, especially how it has ensured that the assurance services provided address the organisation's significant risks (PwC, 2009), which should result in a review statement in the report (Decaux and Sarens, 2015).

The discussion of assurance committee review differs from the assurance committee discussed in Section 2.1.3 where the role of the assurance committee is championing assurance practices within the organisation. In essence, this committee should provide a review of the assurance processes in the form of a report to be included in the organisation's annual/integrated reports. In section 3, we explain how these indicators have been used in this study.

2.2. Empirical studies on the relevant other forms of assurance practices

We previously highlighted a paucity of research focusing on emerging innovative forms of assurance practices. Although some studies addressed the combined assurance model in South Africa, no similar studies have been conducted in Nigeria.

It may be argued that the first empirical study on alternative forms of assurance was by Decaux and Sarens (2015), who investigated the implementation of combined assurance, which informed the development of the AQM used in this study. Their descriptive findings identified six key components for the successful implementation of combined assurance (Decaux and Sarens, 2015). The authors conclude that the lack of a fully developed combined assurance programme has resulted in organisations learning while the combined assurance practices were implemented. Following insights from Decaux and Sarens (2015), Adebayo and Ackers (2023) analyse the extent to which state-owned enterprises (SOEs) in South Africa have conformed to the combined assurance indicators. Although the combined assurance-related disclosures suggest high levels of adoption by some SOEs, most SOEs did not adequately explain how combined assurance was applied, if at all.

Other related studies found combined assurance to be a useful management tool that could assist organisations in several ways. Examining the advantages of companies disclosing the details of combined assurance in their integrated reports, Zhou et al. (2019) found that sharing the specifics of robust combined assurance assists in reducing the bid-ask spread and analysts' forecast mistakes and dispersion. Similarly, investigating the efficacy of disclosing combined assurance to enhance positive investment decisions in a poorly financially performing company, Phang and Hoang (2021) found that when comparing disclosures of combined assurance with corporate social responsibility assurance, combined assurance disclosure has a greater impact on investor decision-making for companies with negative performance. However, this impact is less significant for companies with positive performance.

These findings are consistent with Hoang and Phang (2021), who find that communicating combined assurance can restore investors' perceived reliability of reported information and their willingness to invest. Assessing the impacts of combined assurance quality on the external reporting qualities of JSE-listed companies, Donkor et al. (2021) found strong associations between combined assurance and the qualities of both integrated reporting and sustainability reporting, indicating that the adoption of combined assurance effectively enhances the credibility of sustainability reporting practices. Furthermore, examining the role of compliance units in the adoption of a combined assurance framework within provincial government departments in the Western Cape, South Africa, Dubihlela and Solomon (2024) conclude that a combined assurance framework undeniably incorporates the coordinated efforts of management as well as external and internal assurance providers. They found that it builds alliances and develops a combined and more holistic analysis of the organisation's risk profile.

To investigate relevant and trustworthy integrated reporting, Maroun and Prinsloo (2020) examine whether a correlation exists between larger and more profitable firms, industry participation, certain government characteristics, and using more advanced combined assurance models. Using multiple regression, they found that larger, more lucrative organisations and those operating in ecologically and socially sensitive sectors do not always use comprehensive combined assurance models. In a similar study, Prinsloo and Maroun (2020) examine the various forms of assurance companies employ to enhance the credibility of their reports. They report that the companies sampled focused mainly on specific disclosures and were guided by a limited number of assurance methodologies or frameworks, instead of taking a more pluralistic approach to report verification.

A major limitation of these previous studies is that the results may only be applied to this study from the perspective of the extent of reporting, since the studies are not sufficiently similar to this study and mainly focus on South Africa. Thus, the results have only been generically applied in the context of this study.

2.2.1 Engagement theory of assurance

We propose an engagement theory of assurance, with insights from Kearsley and Shneiderman (1998), who proposed an engagement theory in a teaching and learning context, to emphasise the importance of creating successful collaborative teams. Although contextually different, but mirroring the engagement theory described above, the engagement theory of assurance argues that effective collaboration among internal organisational actors, such as management and internal audit, and external parties such as consultants, environmental practitioners, legal practitioners, tax consultants (depending on the specific needs of the organisation), increases confidence in the assurance provided over internal organisational activities and improves the quality of external reporting in the annual or integrated reports, compared to when these organisational activities and reporting are done internally, without the input of external assurance providers (Hoang and Phang, 2021). The success of such engagements is accordingly dependent on their effectiveness and coverage.

In this context, we expect to find the reporting by the selected companies in both countries to conform to the reporting requirements for combined assurance practices in South Africa and other assurance services in Nigeria, as outlined in Section 2.1. Where this is not the case, management who are responsible to ensure that the appropriate assurance practices are applied, and the internal audit function responsible for independently assessing adherence and reporting on the extent of conformance with these practices may not have effectively discharged their responsibilities in this regard. Prinsloo and Maroun (2020), writing on combined assurance, argue that delivering reasonable assurance results is largely dependent on the quality and coverage of engagement and that mere internal review and management inquiry are more likely to deliver limited assurance results.

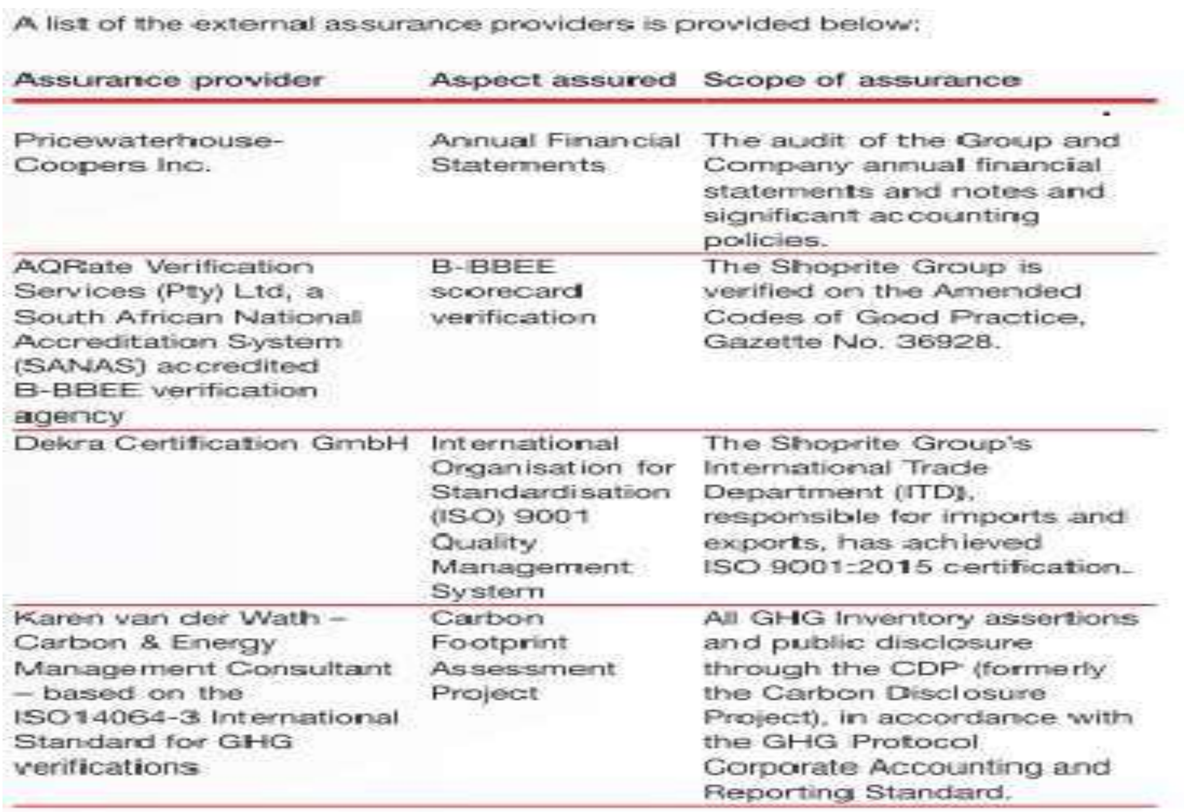
3. Methodology

Based on market capitalisation, we collected data from the 50 largest companies in South Africa and Nigeria – the 25 largest JSE-listed companies and the 25 largest NSE-listed companies. The reasoning behind sampling an equal number of firms in both countries is to ensure the appropriateness of the sampling method and that the selected samples are free of bias. The annual/integrated reports of the sampled companies covering five years (2015/16 to 2019/20) provided the data utilised for this study.

3.1. Data collection and analysis

Since we do not expect assurance disclosures to be similar across different companies and countries, we used content analysis to collect and analyse quantitative and qualitative data (Thomas, 2012). Each company's report(s) were carefully read, beginning with the table of contents, to identify the components related to assurance practices. In addition to reading the reports, ensuring adequate coverage also involved searching for the following generic keywords to limit the probability of not including important information: "assurance", "control", "other services", "combined", "services", "forum", ‘’committee’’, "tests", "procedure" and "strategy” (Table 4 depicts the applicable keywords for each AQM). The emerging information was recorded and organised using an Excel spreadsheet. This was coded and analysed in line with the AQM model described above.

To limit subjectivity and bias, coding simply considers the existence of disclosures related to each AQM indicator (Ackers and Adebayo, 2022). Hence, this study did not investigate or compare the robustness of each disclosure. We adopt a two-point scale rather than three or four to limit subjectivity and researcher bias, using a binary approach to categorise the disclosure into the AQM indicator either being present or not (Prinsloo and Maroun, 2020). The rating system and disclosed indicators represent the six areas described in Section 2.1, which should be covered by innovative alternative assurance practices. The raw scores used to calculate the disclosure index are based on a score of one representing no relevant disclosures of the respective AQM indicator, and a score of two representing disclosure of the AQM indicator. Thus, for each of the six AQM indicators in the annual/integrated reports of the sampled companies, a score of 2 reveals that the AQM indicator was disclosed, whereas a score of 1 reveals that no relevant disclosures could be found for that AQM indicator. As a guiding rule, the observation that pertinent information is provided, or not provided, is sufficient to conclude it as a relevant disclosure, irrespective of whether or not it is robust, although robustness information is noted for illustration. Given the requirement for JSE and NSE-listed companies to disclose their alternative assurance practices, we expected the companies to report on each element of the AQM described above. For example, with regard to assurance mapping, as highlighted in Section 4.1.1, since the entire universe of risks must be mapped and a method of mitigating them within the companies risk appetite, must be devised, pertinent disclosure in the company annual/integrated/sustainability reports are expected to highlight all the risks and describe the mitigation methods/procedure. Examples of these relevant disclosures are reflected in the assurance mapping of Shoprite Plc and Seplat, as depicted in Figure 1 and Figure 2, respectively.


A list of the external assurance providers is provided below:

Assurance provider	Aspect assured	Scope of assurance
Pricewaterhouse-Coopers Inc.	Annual Financial Statements	The audit of the Group and Company annual financial statements and notes and significant accounting policies.
AQRate Verification Services (Pty) Ltd, a South African National Accreditation System (SANAS) accredited B-BBEE verification agency	B-BBEE scorecard verification	The Shoprite Group is verified on the Amended Codes of Good Practice, Gazette No. 36928.
Dekra Certification GmbH	International Organisation for Standardisation (ISO) 9001 Quality Management System	The Shoprite Group's International Trade Department (ITD), responsible for imports and exports, has achieved ISO 9001:2015 certification.
Karen van der Wath – Carbon & Energy Management Consultant – based on the ISO14064-3 International Standard for GHG verifications	Carbon Footprint Assessment Project	All GHG Inventory assertions and public disclosure through the CDP (formerly the Carbon Disclosure Project), in accordance with the GHG Protocol Corporate Accounting and Reporting Standard.

Figure 1: Assurance mapping of Shoprite Plc

The optimal cumulative score for the AQM indicators is therefore 12, which is also the optimal score applicable to each company (Adebayo and Ackers, 2023; Prinsloo and Maroun, 2020).

S/N	Name of Signer	Name of firm	Service rendered
1	Gen Wingrave*	RPS Group (UK)	Decommissioning cost valuation
2	Tosin Famurewa* Stephen .T. Philips*	Ryder Scott Petroleum Consultants	Reserve Valuation
3	Matthew Johnson*	Ascension Consulting	Tax consultancy service
4	Ganiu Shefiu*	Logic Professional Service	Actuarial valuation service

Figure 2: Assurance mapping of Seplat Plc

The equation below provides the cumulative mean value of AQM, indicating that a score tending towards 2 implies greater conformance with the AQM generally, as well as for each company (Adebayo and Ackers, 2023; Prinsloo and Maroun, 2020):

$$\mathbf{AQM} = \frac{\boldsymbol{MAPPING + MODELLING + COMMITTEE + PROCEDURE + COVERAGE + REVIEW}}{\mathbf{6}}$$

We analysed the data emerging from the content analysis of the companies' annual/integrated reports, using scores calculated on the AQM index reflecting whether the predetermined indicators were disclosed. The AQM index accordingly provides a mechanism to establish the extent to which the identified assurance practices indicators have been disclosed. We used ordinal measures to meaningfully interpret the disclosures of the assurance framework provisions in the annual/integrated company reports, based on the following two-point scale.

1 – no relevant disclosures

2 – relevant disclosures

3.2. Research control

Researcher bias generally tends to emerge in qualitative research, and particularly in content/thematic/document analyses (Mackieson, Shlonsky, and Conolly, 2018). To minimise selection bias (Smith and Noble, 2014), we employed purposive and not convenience sampling, and described the selection process. Furthermore, since the data for this study was unstructured, to minimise analysis bias (Smith and Noble, 2014) we developed a rating scale to ensure a systematic and rigorous analysis process, introducing some order in the data (Mackieson et al., 2018). These steps illustrate the applied thematic approach (Guest, MacQueen, and Namey, 2012) (ATA) we employed to limit researcher bias (Mackieson et al., 2018). The ATA framework was specifically developed to assist qualitative researchers in planning and preparing for text-based qualitative analysis, ensuring that qualitative research is purposeful and systematic. Bias was further reduced by conducting the analysis in three distinct phases utilising insights from Mackieson et al. (2018) and Guest et al. (2012). The first phase involved developing a rating tool aligned with previous observations and studies by credible professional bodies. The second phase involved analysing the sampled companies' reports, with the data independently coded by two people. In the third phase, differences identified after the data were re-examined a few weeks after the initial review were noted and addressed, ensuring that the highlighted variations were resolved before the final data set was analysed (Ackers and Adebayo, 2022; Prinsloo and Maroun, 2020).

4. Analysis and interpretation of results

The AQM equation provided earlier in the methods section reveals that the goal is to document the cumulative mean value for the AQM indicators. To present the results in this section, we logically present the cumulative AQM before considering each AQM element's contribution.

4.1. Assurance quality measure (AQM) of sampled listed companies

An AQM equation score tending towards 2 implies greater conformance with the AQM generally, as well as for assessing individual companies. Although it may possibly be argued that most AQM elements are voluntary, and despite the assurance practices identified below reflecting reasonable disclosures, higher conformance levels were expected (Maroun and Prinsloo, 2020; IoDSA, 2016).

As indicated in Table 1, the results show that despite not reflecting the maximum for any of the AQM indicators, the AQM of South African listed companies is relatively higher than listed companies in Nigeria, as depicted in Table 2 (9.04 out of 12 and 7.97 out of 12, respectively).

Table 1: AQM of sampled listed companies in South Africa

	Assurance Mapping	Assurance Modelling	Assurance Committee	Assurance Procedure	Assurance Coverage	Assurance Committee Review
Vaild	125	125	125	125	125	125
Missing	0	0	0	0	0	0
Mean	**1.28**	**1.74**	**1.62**	**1.95**	**1.03**	**1.42**
Minimum	1	1	1	1	1	1
Maximum	2	2	2	2	2	2

Several reasons are offered for these observations. The first is that alternative assurance practices have been part of South Africa's corporate governance toolbox since the release of King II in 2002, subsequently documented in King III in 2009 (Ackers, 2009; IoDSA, 2009). South Africa may therefore be regarded as a country with mature assurance reporting practices (Adebayo and Ackers, 2022; Prinsloo and Maroun, 2020). By comparison, in Nigeria, the FRC Rule 2 relating to reporting entities receiving assurance was only ratified/emphasised in the first quarter of 2015 (FRC, 2015), despite (arguably) having been introduced in 2011. The academic literature has accordingly widely documented that South Africa is a leading country in corporate reporting practices (Jeriji and Nasfi, 2023).

Table 2: AQM of sampled listed companies in Nigeria.

	Assurance Mapping	Assurance Modelling	Assurance Committee	Assurance Procedure	Assurance Coverage	Assurance Committee Review
Vaild	125	125	125	125	125	125
Missing	0	0	0	0	0	0
Mean	**1.03**	**1.22**	**1.58**	**1.96**	**1.01**	**1.17**
Minimum	1	1	1	1	1	1
Maximum	2	2	2	2	2	2

Secondly, some companies listed in South Africa are also listed on other international stock exchanges, with mature assurance reporting requirements, which, albeit not mandatory, positively influence their assurance reporting practices (Grosman, Okhmatovskiy, and Wright, 2016). Similarly, some Nigerian listed companies are also listed on prominent international stock exchanges (such as the London Stock Exchange – for example, Guarantee Trust Holding Company). It is submitted that these cross-listings may have positively impacted the assurance reporting practices of several of these companies,five of which illustrated and discussed the three lines of defence highlighted earlier (First Bank, Guarantee Trust Holding Company, MTN, Stanbic IBTC, and United Capital) as introduced in King III (IoDSA 2009), which is not included in Nigeria's FRC rules or requirements. Another key point is that when compared to Nigerian listed companies, most South African listed companies published integrated reports, including several with secondary JSE-listings (Mokabane and du Toit, 2022). Despite not being a mandatory legal requirement, publishing an integrated report is a specific King IV principle that companies with primary JSE-listings should apply. The King IV requirement for integrated reports to disclose how companies have deployed the six capitals to create sustainable value allows South African companies to disclose more comprehensive and relevant information than found in the annual reports of most Nigerian listed companies. Additionally, some South African listed companies also publish a separate independent report on assurance practices, either in their integrated, sustainability, or ESG reports (which was not found in the Nigerian listed companies), boosting their cumulative AQM scores. This discussion of the results of the AQM is further buttressed by the discourse on individual AQM elements, reflected in Table 3 below, in conjunction with Tables 1 and 2.

Table 3: Disclosure of sampled listed companies in South Africa and Nigeria on the AQM indicators

	Assurance mapping		**Assurance modelling**		**Assurance committee**		**Assurance procedure**		**Assurance coverage**		**Assurance committee review**	
	South Africa	**Nigeria**	**South Africa**	**Nigeria**	**South Africa**	**Nigeria**	**South Africa**	**Nigeria**	**South Africa**	**Nigeria**	**South Africa**	**Nigeria**
No relevant disclosure	72%	97%	26%	78%	38%	42%	5%	4%	97%	99%	58%	83%
Relevant disclosure	28%	3%	74%	22%	62%	58%	95%	96%	3%	1%	42%	17%

Key: Percentage of disclosures for the five years (2015/16-2019/20). No relevant disclosure = 1 – Relevant disclosure = 2.

4.1.1. Assurance mapping

A key factor relating to alternative forms of assurance is mapping the organisation's universe of risks to mitigate the identified risks (Chikwiri and Rosa, 2015; Forte and Barac, 2015). However, it is not enough to simply map the risks, but more importantly, to describe how the mapped risks have been, or will be, mitigated, which is the purpose of this AQM indicator. It is accordingly important for all assurance providers, especially the external assurance providers, that contribute to mitigating some of the risks to be identified in the annual/integrated report, together with their contribution to mitigating these risks as well as the levels of assurance provided (high, low, limited, reasonable or moderate). In addition to its importance for correctly functioning internal operations, these practices also instill confidence about the veracity of corporate reports among external users, who could engage these assurance providers should they require additional information on matters that they may consider material (Majoch, Hoepner, and Hebb, 2017). It is nevertheless surprising that, as indicated in Tables 1 and 2, assurance mapping in both South Africa and Nigeria (μ=1.28; μ=1.03 respectively) has the second lowest disclosure scores compared to the other five AQM indicators, only better than assurance coverage in both countries. Table 3 further reveals that relevant disclosures are only 28% in South Africa and 3% in Nigeria. These results are surprising, both in South Africa and Nigeria, where alternative assurance practices are either mandatory (Nigeria) or quasi-mandatory (South Africa), with companies expected to assure material estimates, judgments, and assumptions in their annual/integrated reports. We observed that assurance was not provided on some material issues, such as litigation (see Union Bank of Nigeria annual report 2020, Stanbic IBTC annual report 2019). Evidence of mapping was found in the annual/integrated reports of Shoprite (2018, p.1) in South Africa

(Figure 1), and International Breweries Plc (2020, p.50) and Seplat (2020, p.93) in Nigeria (Figure 2) as displayed below.

An example of the assurance mapping disclosure is illustrated by the International Breweries Plc in their 2020 annual report, which revealed that "*During the year, audit service was performed by PricewaterhouseCoopers, which was led by the Engagement partner Udochi Muogilim with FRC registration number FRC/2013/ICAN/00000003209. Actuarial valuation was performed by Ganiu Shefiu with FRC registration number FRC/2017/NAS/00000017548 from Logic Professional Services with FRC registration number FRC/2020/NAS/00000013617*" (p.50).

4.1.2. Assurance modelling

Modelling assurance practices illustrates how distinctively and innovatively organisations have implemented assurance practices and how these have been disclosed in their organisational reporting (Nkonki 2016). Table 3 reveals that 74% of the reports of listed companies in South Africa and 22% in Nigeria provided relevant disclosures relating to assurance modelling. Within that context, as illustrated in Tables 1 and 2, South Africa's cumulative mean score is $\mu=1.74$, and Nigeria's is $\mu=1.22$. Since this observation represents South Africa's second highest disclosure (second only to Assurance Procedure), this high level of disclosure is attributed to the earlier discussion where the scope of assurance practices in South Africa was found to be more encompassing than in Nigeria, primarily because they had been implemented much earlier in South Africa. However, since FRC Rule 2 requires "*any professional providing assurance or certifying any part of an annual report, financial statements, accounts, financial report, returns and other documents of a financial nature, shall certify by indicating his or her name and FRC registration number*" (FRC, 2015, p.2), the low disclosure rate in Nigeria is concerning. Most South African listed companies typically discuss and occasionally illustrate their combined assurance practices, where the three lines of defence (King III), or the five lines of defence (King IV) are included in their reference to corporate governance or enterprise risk management. This however, was not the case with Nigerian listed companies, apart from five companies that, by virtue of their cross-listings (or desire for improved corporate reporting), whose reports referred to the three lines of defence as part of their assurance practices (First Bank, Guarantee Trust Holding Company, MTN, Stanbic IBTC, and United Capital). Nigeria's scope of assurance practices should be expanded to describe these lines of defence/assurance and their contribution to enterprise assurance practices, which may assist in instilling a compliance culture within both listed and unlisted organisations (Licht, Goldschmidt, and Schwartz, 2007). The integrated report of FirstRand (2020, p.82), illustrated in

Figure 3 below, represents a good example of assurance modelling.

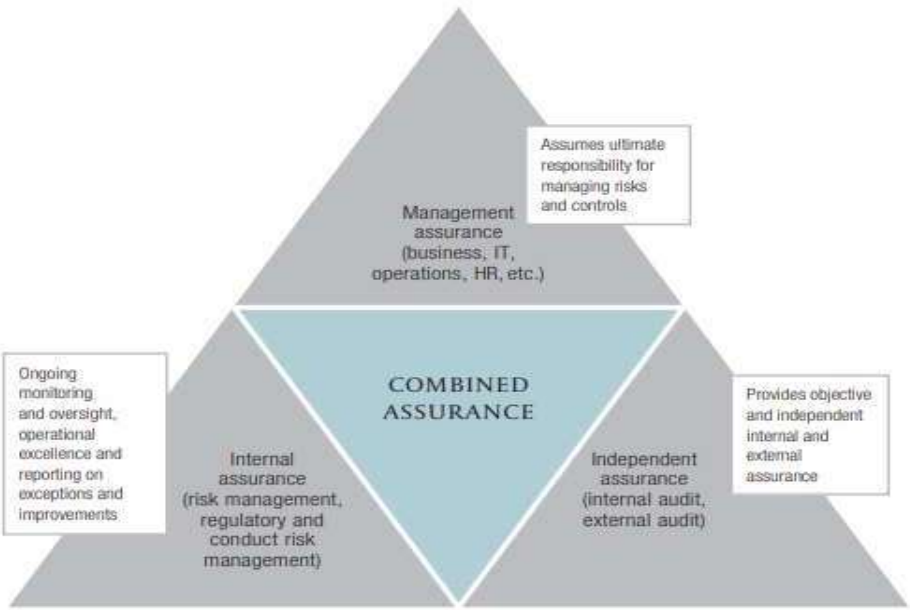


Figure 3: Assurance modelling of FirstRand Group

4.1.3. Assurance committee

Assurance has been a long-standing component of the internal control framework, typically with the audit (assurance) committee as custodians, often responsible for the internal control framework (Hoang and Phang, 2021; IoDSA, 2016). This audit/assurance committee normally has oversight over the organisation's assurance functions (Deloitte, 2016; IoDSA, 2016), and presents a report in the organisation's annual/integrated report describing the assurance practices and the major findings relating to the organisation's activities, typically for the reporting period. Decaux and Sarens (2015) highlight such a committee's importance, noting its key function (as reflected in this paper and for this indicator) is communicating the organisation's assurance activities and their impacts to stakeholders. The results, as illustrated in Table 3, reveal that relevant disclosures for South Africa are 62% and 58% in Nigeria. The similar, moderate observed disclosure levels of the two countries, further illustrated in Tables 1 and 2 (South Africa μ=1.62 and Nigeria μ=1.58), are disappointing, since reporting on the committee's activities relating to its assurance practices oversight is a relatively simple process. The function of this committee is to ensure that report users understand how the organisation has addressed assurance matters (especially external assurance).

FirstRand's 2020 integrated report provides a relatively unique assurance committee report, as reflected below. In addition to diagrammatically modelling their assurance activities and the flow of assurance outputs, FirstRand's assurance committee stated that "*the primary objective of thecombined assurance forum (CAF) is to assist the audit committee in discharging its responsibilities relating to combined assurance. The CAF ensures that the various segment/business combined assurance providers and forums work collectively to ensure that the right amount of assurance in the right areas is obtained from providers with relevantskills and experience and that this is done in the most cost-effective manner"*. FirstRand further notes that the *"CAF meets on a quarterly basis and agrees on the key risks and control themes that it will monitor across all assurance providers at segment and group level from time to time. Attendees include representatives from management and internal and external assurance providers. The committee is chaired by the group's chief risk officer. The combined assurance view of the progress made on key risk and control themes across FirstRand isreported to the audit committee on a quarterly basis. The audit committee is satisfied with the expertise, adequacy, and effectiveness of arrangements in place for combined assurance"* (p.83).

4.1.4. Assurance procedure

Recognising that different types of assurance procedures in terms of tests, inquiries, and reviews and applying them to organisational activities and disclosing how these procedures have been applied (both by internal and external assurance providers) in the annual/integrated reports, is key to ensuring that all material issues, including substantial estimates, assumptions and judgments in the annual/integrated reports, are assured (Maroun, 2017). The results in Tables 1 and 2 indicate that this AQM element was adequately disclosed in the annual/integrated reports of listed companies, both in South Africa (μ=1.95) and Nigeria (μ=1.96), representing the highest of the six AQM elements disclosed, as indicated in Table 3 (95% and 96%, respectively).

This result is not expected in terms of the level of disclosure, considering the task required to achieve this. It should, however, be noted that this observation only relates to the approach adopted to provide assurance on matters requiring assurance, and not necessarily its robustness, sophistication, or whether the assurance procedures were successfully achieved (Prinsloo and Maroun, 2020).

The assurance procedures disclosed in Anglo American's (2020) sustainability report mirror the type of procedures disclosure discussed, for example, noting that "*regarding external assurance: 40 operations assure their compliance with ISO 14001 and OHSAS 18001 management system standards, and 6 have started their transition from OHSAS 18001 to ISO 45001. In 2019, PGMs' Unki mine in Zimbabwe became the first to publicly commit to be independently audited againstthe Initiative for*

Responsible Mining Assurance's (IRMA) Standard for Responsible Mining. In 2020, the assurance process was completed at Unki and resulted in an 'IRMA75' rating" (p. 95). They further note that: "*assurance engagement was performed in accordance with AccountAbility's AA1000AS v3 (2020) ("AA1000AS") and was conducted to meet the AA1000AS Type II Moderate and High-level requirements*" (p.96).

4.1.5. Assurance coverage

Assurance coverage is unquestionably the most stringent of the AQM indicators (Prinsloo and Maroun, 2020; Decaux and Sarens, 2015). Although it may be relatively easy (as observed in annual/integrated reports) to map out an organisation's risk universe and the applied mitigating measures (as reflected in the previous section's assurance procedures results), actually addressing these risks may become quite complicated. Thus, assurance coverage builds on the indicator for assurance procedures by investigating whether an organisation's implementation of assurance practices addresses the material issues and significant estimates that an organisation may include in its annual/integratedreport. During their operational activities, organisations often provide estimates, judgements, and assumptions, which in most cases are not necessarily material, but in some cases, could be, especially those relating to litigation in Nigerian listed companies, or other matters arising in the listed companies in both countries. By its very nature, it is not possible to ensure that all estimates, judgements, and assumptions made by organisations in their business activities are covered and/or assured, as observed for both countries. The results depicted in Table 3 (relevant coverage for South Africa, 3%; and for Nigeria, 1%) reveals that only a small fraction of an organisation's material estimates, judgements, and assumptions, can be covered and assured, with some carefully choosing language to provide stakeholders with some confidence about the appropriateness and materiality of certain assumptions, judgements and estimates in the annual/integrated report.

Despite these results (as indicated in Tables 1, μ=1.03 for South Africa, and Table 2, μ=1.01 for Nigeria), since the FRC mandates listed companies in Nigeria to map material estimates, judgements, and assumptions, and for assurance professionals to verify such provisions, Nigerian companies were expected to perform better on this AQM indicator, than South African companies, where this level of disclosure is not specifically required. However, the extremely low conformance levels for this AQM indicator in both countries are a major source of concern. The reports of some Nigerian listed banks reflect major litigation involving substantial amounts of money, but without reference to any form of assurance, these companies always indicate that they do not expect the claimants litigation to be successful and therefore do not constitute any going concern risk (see Stanbic IBTC 2019, Union Bank (recently acquired by Titan Trust Bank), 2020 and United Bank for Africa, 2020 for unassured litigation claims requiring assurance). While the level of property rights may appear to significantly impact these matters, as well as the expected outcomes, this aspect is beyond the scope of this paper.

4.1.6. Assurance committee review

Even though the governing body may initiate an overall enterprise assurance practice, the responsibility for effective oversight of assurance practices is typically delegated to the audit/assurance committee. The governing body expects this committee to ensure that the information used by management, the governing body, and its committees, for internal decision-making, is credible and to support the credibility of external reports (Deloitte, 2016; IoDSA, 2016). This requires the audit/assurance committee to provide pertinent information in a report to the governing body, which should be included in the integrated/annual report in support of the veracity of the underlying disclosures. This report should therefore disclose how the audit/assurance committee has monitored the relationships among internal and external assurance providers with the company and describe how it has ensured that the combined assurance model addressed all the significant risks facing the company. Where the audit/assurance committee has not provided a formal report, at least a review statement should be provided on combined or alternative assurance, emphasising the importance of this disclosure indicator.

Tables 1 and 2 reveal that disclosure of this AQM indicator is μ=1.42, in South Africa, representing 42% as indicated in Table 3, and μ=1.17, in Nigeria, representing 17%. Despite these low disclosure rates, the higher South African disclosure was expected, given the observations on assurance committees in Section 4.1.3. However, since the assurance committee indicator variance between South Africa and Nigeria, discussed in section 4.1.3, was relatively small, it is not expected for Nigeria. A possible reason could be that some organisations may not recognise the importance of disclosing such information in their reports, perceiving it as having more internal than external value. We, however, argue that the provision of quality disclosures in reports has greater benefits for external than internal users (Ackers and Adebayo, 2022). Hence, this assurance committee review report, which consolidates the entire assurance process in the organisation's annual reports, is crucial. In its 2020 integrated report (p.3), Sibanye-Stillwater provides a good example of how this information could be disclosed:

> "*Sibanye-Stillwater's internal audit function monitors and provides an objective assessment of internal controls, processes, and systems for financial, operating, compliance, and risk management, and has ensured the accuracy of the information presented. Internal audit is a*

management function and is overseen by the Chief Financial Officer, the Audit Committee, and the Risk Committee. These committees report, in turn, to the Board. Independent external assurance provider PwC provided limited assurance on selected sustainable development performance indicators in accordance with the International Standards on Assurance Engagements (ISAE) 3000 (Revised) and International Standard on Assurance Engagements (ISAE) 3410. PwC's Statement of Assurance is on page 307. The financial information presented was extracted or derived from the annual financial statements, which were independently audited by EY, which didnot specifically audit or review this integrated report".

Sibanye-Stillwater's disclosure appears to confirm that care was taken to ensure effective assurance coverage. It describes the role of the internal audit function and identifies EY as the external auditor and PwC as the independent external assurance provider for some matters requiring assurance. Consistent with the engagement theory of assurance (Kearsley and Shneiderman, 1998), the results appear to indicate that collaboration among South African assurance role-players is better than among Nigerian role-players, especially relating to the involvement of external assurance providers.

Table 4: Summary of findings on the AQM of listed companies in terms of relevant and no relevant disclosures

AQM ELEMENT	KEYWORDS[2]	TYPE OF DISCLOSURE		EXAMPLE OF RELEVANT DISCLOSURE TYPE	ASSURED BY[3]
		RELEVANT DISCLOSURE	NO RELEVANT DISCLOSURE		
Assurance mapping	"assurance", "control", "other services", "combined", "services", "tests", "procedure", "strategy"	Disclosing all assurance providers and the universe of risks in the report, especially with regard to external providers.	Not disclosing relevant information	The assurance mapping sighted in the annual reports of Shoprite (Shoprite annual report 2018. p. 1) in South Africa (Figure 1), and International Breweries Plc (International Breweries Plc annual report, 2020. p. 50) and Seplat (Seplat annual report 2020. p. 93) in Nigeria (Figure 2).	Various assurance providers
Assurance modelling	"assurance", "control", "other services",	Defining and disclosing an organisation's scope of assurance		A good example of assurance modelling is	

[2] To ensure adequate coverage, in addition to reading the reports, the following generic keywords were searched to limit the probability of leaving out any vital information.
[3] Only assurance mapping is relevant here, considering what relevant disclosure on assurance mapping should entail.

	"combined", "services",	practices. For example, detailing how an organisation has developed an assurance protocol, taking into account other assurance providers.	Not disclosing relevant information	seen in the integrated report of FIRSTRAND (2020, p. 82), which is displayed in Figure 3.	Not Applicable
Assurance committee	"assurance", "control", "other services", "combined", "services", "forum", ‘’committee’’	Disclosure on the availability of a risk/governance/audit committee charged with ensuring that various aspects of the assurance processes are adhered to.	Not disclosing relevant information	The 2020 integrated report of FIRSTRAND presents a unique assurance committee report compared to the committee reports of other companies that produced such a report. In addition to diagrammatically modelling their assurance activities and the flow of assurance outputs, the assurance committee stated the primary objective of the combined assurance forum (CAF).	Not Applicable
Assurance procedure	"assurance", "control", "other services", "combined", "services", "tests", "procedure", "strategy"	Illustrating assurance procedures in the report, indicating the approach taken in addressing certain issues requiring assurance.	Not disclosing relevant information	The assurance procedure seen in the sustainability report of Anglo American (2020) mirrors the kind of procedure disclosure discussed here. Anglo American noted that: …… *"regarding external assurance: 40 operations assure their compliance with ISO 14001 and OHSAS 18001 management system standards; and 6 have started their transition from OHSAS 18001 to ISO 45001………"*	Not Applicable
Assurance coverage	"assurance", "control", "other services", "combined", "services", "tests", "procedure", "strategy"	Implementation of assurance services covering all material issues and significant estimates contained in the annual/integrated report of an organisation.	The reports of some of the listed banks in Nigeria contain major litigation involving substantial amounts of money. But		

			without citing any form of assurance, these listed companies always declare that they do not expect the outcome of the litigation to be successful on the side of the claimants and therefore do not constitute any risk to the going concern of the business (see Stanbic IBTC 2019, Union Bank (recently acquired by Titan Trust Bank), 2020 and United Bank for Africa, 2020 for unassured litigation claims requiring assurance).	Disclosing relevant information	Not Applicable
Assurance committee review	"assurance", "control", "other services", "combined", "services", "forum", ''committee''	Describe how the governance committee has monitored the relationship between the external assurance providers and the company and ensured that the assurance addresses all important risks. If the former is not in place, a responsible assurance services committee review statement.	Not disclosing relevant information	A good disclosure example of assurance committee review was seen in Sibanye-Stillwater integrated report 2020. Sibanye-Stillwater, in its 2020 integrated report (p.3), presents this information thus: "*Sibanye-Stillwater's internal audit function monitors and provides an objective assessment of internal controls, processes, and systems for financial, operating, compliance, and risk management, and has ensured the accuracy of the information presented. Internal audit is a management function and is overseen by the Chief Financial Officer, the Audit Committee, and the Risk Committee. These committees*	Not Applicable

				report, in turn, to the Board. Independent external assurance provider, PwC, provided limited assurance on selected sustainable development performance indicators, in accordance with the International Standards on Assurance Engagements (ISAE) 3000 (Revised) and International Standard on Assurance Engagements (ISAE) 3410. PwC's Statement of Assurance is on page 307. The financial information presented was extracted or derived from the annual financial statements, which were independently audited by EY, which did not specifically audit or review this integrated report".	

4.2. Summary of findings

Table 4 summarises the study findings discussed in Sections 4.1.1 to 4.1.6. The above analyses show that although many of the listed companies studied in both countries conform to the AQM indicators, the extent of conformance is generally far below the desired level of disclosure. Conformance with the AQM indicators directly impacts the extent of reliance stakeholders place on organisational reporting, as highlighted by Hoang and Phang (2021), who asserted that communicating combined assurance may restore the perceived reliability of the reported information and affect the willingness to invest. This conformance also provides insights into the effectiveness of the organisation's internal audit function, risk management process and management, and their ability to identify and assure the significant organisational risks. However, risk identification is only the first step in the process. Hence, after risks have been identified, they should be assured, including through alternative types of assurance, and how the relevant assurance processes align with the identified risks should be effectively communicated in the annual/integrated and other relevant reports. Only after the risks and assurance processes have been described can the assurance process be considered complete, as highlighted by the AQM (Prinsloo and Maroun, 2020; Decaux and Sarens, 2015).

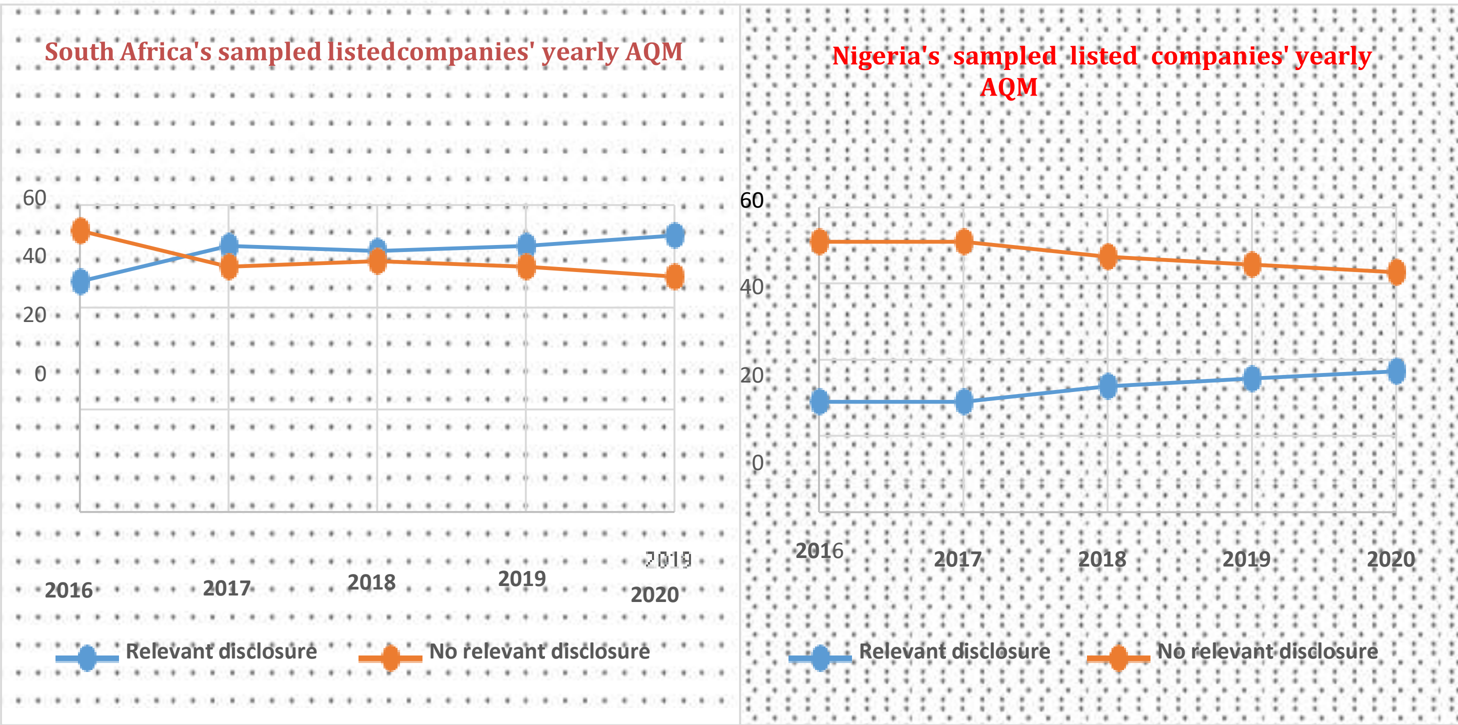


Figure 4: Yearly AQM by sampled listed companies in South Africa and Nigeria

As illustrated in Figure 4, the inconsistent disclosure and uptake of assurance practices is concerning, not reflecting the expected rates of adoption in either country, although it may be argued that AQM conformance in both countries has marginally improved over the years. Figure 4 illustrates a sharp rise in the disclosure of South African assurance practices between 2016 and 2017, slightly declining the following year, before increasing again. The study found that South Africa had more pertinent assurance disclosures in 2020 than in the base year (2016), with a similar pattern for Nigerian listed companies. Although the assurance disclosures of Nigerian companies did not improve between 2016 and 2017, as reflected in Figure 4, pertinent disclosures increased in 2018, continuing to improve thereafter. This improving trend, albeit gradual, suggests that the assurance disclosure of companies in both countries will continue to improve, with reporting quality in both countries expected to improve over time. Figure 4 further reveals that South African assurance disclosure rates are much higher than Nigeria, with 51 being the fewest disclosures by South African companies (for 2018) across the study period, compared to 29 for Nigeria (for 2016 and 2017). Although Figure 4 reveals that South African companies now have more pertinent assurance practice disclosure than non-disclosures, these disclosures remain disappointingly low, albeit significantly better than in Nigeria.

Following this observation, although alternative forms of assurance practices often tends to be considered more of an internal management tool, rather than a mechanism to enhance the quality of external reporting, primarily in South Africa and certain other reporting jurisdictions, developing a standardised template applicable for universal reporting assurance practices is key to improving assurance practices. As described in the literature review, organisations in South Africa and Nigeria are expected to disclose how they have complied with the requirements of assurance practices. Therefore, despite alternative assurance practices being more of an internal management tool, it is important to enhance the quality of external reporting. Apart from ensuring improved organisational compliance with assurance practices, the proposed standardised template could also assist in ensuring that the sections of the assurance report in annual/integrated reports are similar, improving the ability to compare organisational performance. It is therefore in the best interest of organisations, shareholders, and stakeholders for the IoDSA in South Africa and the FRC in Nigeria to consider developing and prescribing the adoption of such a template, at least for their listed companies, since international convergence may be an onerous task at this stage

Additionally, we recommend that the FRC and the Nigerian Stock Exchange encourage listed companies to embrace other innovative reporting and assurance frameworks/standards, such as integrated reporting and combined assurance. Whereas integrated reporting will improve the quality of corporate reporting by describing how the six capitals are utilised to create sustainable value, combined assurance will provide a coordinated overview of the assurance processes that ensure that the extent to which the material risks are being mitigated in an organisation. As highlighted in Section 4.1, we submit that the observed better disclosure of alternative assurance practices of South African companies is primarily due to the adoption of integrated reporting and the combined assurance model.

As highlighted in Section 2.2, since alternative forms of assurance in the two countries do not appear to have been studied previously, we can only broadly compare some general findings, but not specific observations, to previous available studies. In this regard, the review of previous studies discussed in Section 2.2 reveals that the only study with implications for this study and to which we may compare the findings was by Prinsloo and Maroun (2020). Overall, the findings mirror those of Prinsloo and Maroun (2020), who reported that companies in their study mainly focused on specific disclosures, which were guided by a limited number of assurance methodologies or frameworks, and did not take a more pluralistic approach to the verification of reports as a whole. We submit that the engagement theory discussed in Section 2.2.1 may explain this finding. As highlighted earlier, despite combined assurance in South Africa and the other assurance services in Nigeria being robust practices, both in terms of content and application, the companies in this study appear to have struggled with conformance with these alternative forms of assurance. As highlighted earlier, Prinsloo and Maroun (2020) argued that the provision of reasonable assurance results largely depends on the quality and coverage of the assurance engagement. However, the results disclosed in Tables 1 and 2 reveal that assurance coverage has the lowest levels of conformance, both in South Africa (µ1.03) and in Nigeria (µ1.01).

With reference to the description of assurance coverage in Section 2.1.5, it may be argued that the companies have not ensured that assurance engagement was adequate, which restricts the scope and accordingly the impact on the overall assurance process, especially since Prinsloo and Maroun (2020) and Decaux and Sarens (2015) highlighted that this was the most important of all assurance indicators, as described in this study, which tends to anchor the other five indicators.

5. Conclusion, implications for policy and practice, and further research

We explore how listed companies in South Africa and Nigeria have conformed and reported on their respective innovative forms of alternative assurance practices, including combined assurance and other assurance services. Combined assurance in South Africa aims to provide holistic assurance to the board on the effectiveness of risk management and internal control systems by coordinating assurance activities from various sources of assurance, not confined to financial reporting (Decaux and Sarens, 2015). On the other hand, other assurance services in Nigeria involve independent and professional assurance services provided by other assurance providers apart from the external auditors that reduce information risk and improve the quality or context of information for decision-makers, typically associated with financial reporting (FRC, 2020). Exploring this is important, considering that the contemporary academic discourse on alternative forms of assurance has highlighted that conformance (implementation) and disclosure of conformance (implementation) are usually identified as significantly impacting the adoption of alternative assurance practices. It is accordingly noted that improving the external credibility of their reporting requires companies adopting these alternative assurance practices to also disclose how this has been done. To improve conformance, we highlighted how companies should disclose assurance practices in their reports. The selection of the two countries where alternative forms of assurance are required has implications for the contemporary academic discourse, the effectiveness of alternative forms of assurance, and the evolving rules versus principles debate.

For the data points, we used relevant reports of the 25 largest listed companies (in terms of market capitalisation) in each of Nigeria and South Africa, representing a total of 50 companies in the sample. For the purposes of this study, we define assurance quality in organisational reporting in terms of:

i. Identifying and listing all assurance providers in the report;
ii. Defining the scope of assurance practices in the report;
iii. Appointing a governance committee to ensure that the various assurance practices are consistently adhered to;
iv. Disclosing the assurance procedures in the report and indicating the approach taken toaddress certain issues requiring assurance;
v. Ensuring that the implemented assurance practices cover all material issues and significant estimates, judgments, and assumptions contained in the report;
vi. Describing how the governance committee has monitored the relationship between the internal as well as external assurance providers, and the company, and how it has ensured that the assurance provided addresses all the significant risks facing the company.

Consistent with the contemporary academic discourse on alternative assurance practices, we find low levels of conformance in the listed companies in both countries, albeit higher in South Africa. Thus, the findings support the assertion that disclosing that an organisation has adopted a comprehensive approach to assurance in the annual/integrated reports (as seen in the assurance procedure findings, which achieved the highest scores in both countries) is not enough to convince stakeholders that organisations have taken extra care to ensure that all significant risks in their business operations are effectively mitigated (which is arguably the core tenet of assurance practices), especially relating to and improving the integrity of such reports (as seen in the assurance coverage findings, achieving the lowest disclosures in both countries). Therefore, comprehensive disclosure of the assurance practices applied in the annual/integrated reports emphasises the need to implement a credible corporate governance framework, demonstrating the board's commitment to the adoption of good corporate governance principles (CGF Research Institute, 2019).

Effective compliance with the assurance practices encompassed in the governance principles may provide stakeholders with a good understanding of how an organisation applies the quality assurance principles which should include: the process by which an organisation has managed risk (assurance mapping, assurance modelling); as well as information about the assurance practices implemented by the organisation, including details of the overall assurance measures, providers and reports obtained to verify and substantiate the integrity of internal and external reports relied on by stakeholders for decision-making (assurance committee, assurance procedure, assurance coverage, and audit committee review) (CGF Research Institute 2019). At a minimum, organisations should disclose this information in their annual/integrated reports.

This study and its ensuing results have implications for research policy and practice. First, the approach to this study from a methodological perspective may be adopted for studies of other similar institutional contexts. In addition, countries that may be contemplating developing and implementing alternative forms of assurance may obtain some insights from this study, including important aspects that should be prioritised for conformance and reporting, whether prescribed as mandatory or voluntarily adopted. Further, this study contributes to the literature on assurance practices by defining assurance with reference to the six indicators and responding to the call for more studies on innovative types of alternative assurance practices (Prinsloo and Maroun 2020). The AQM developed in this study may also be applied to evolving assurance practices in other settings, as well as in unlisted, small, and medium companies. Also, the disparity in assurance practices between and within countries, sustains the need for policymakers and practitioners to monitor the impediments to assurance reporting and disclosure to document how they may be overcome and taking steps in this regard, especially relating to not disclosing the external assurance service providers organisations engage, the scope of the assurance engagement and the alignment with the risk universe. To improve conformance, we highlighted how companies could disclose their assurance practices in their reports. We address how companies may address emerging forms of alternative assurance practices and what these could entail. Table 4, which highlights the key issues that should be focused on when evaluating the quality of reports, relates to ensuring that the scope of assurance engagements by all assurance providers covering important matters identified by the AQM indicators is disclosed. Thus, the findings have implications for research into comparative assurance practices, especially on the African continent, where this may represent one of the only studies on this topic. Hence, in addition, we extend the discourse on assurance and assurance services to cover the three subject areas on assurance and assurance services, highlighted in Section 2, especially relating to accounting and auditing.

To improve conformance, it is recommended that the standard setters in both countries should proactively contribute. In South Africa, where the combined assurance is only a quasi-mandatory requirement for companies with primary JSE-listings, standard setters should consider prescribing it for other organisations as well. In Nigeria, where conformance to "other assurance services" is mandatory but where conformance is low (as the results show), standard setters must devise means to increase conformance, including the imposition of sanctions for non-conformance. The exploratory nature of this paper introduces certain limitations and provides avenues for further research, similar to other papers of this nature. To limit subjectivity, the study observations were confined to simply identifying whether or not an indicator was present. In this regard, since this study did not take the robustness of disclosure into account, partial disclosures were either categorised as present or absent, depending on the extent of disclosure. Also, while an assurance manager in the FRC and two practicing chartered accountants in Nigeria assisted the researchers to understand the context and nature of Nigerian assurance practices, it would have been beneficial to have access to the managers of some of the listed companies, who could clarify some of the observations emerging during this study. In this regard, future studies could replicate this study and include a qualitative component, which could include important insights on emerging findings from company managers. Further studies could also use a different scale from the one used in this study to address the limitation highlighted earlier, but still avoid subjectivity. Where possible, other studies may conduct interviews to substantiate or corroborate observations resulting from content analysis, which would represent a useful way of clarifying issues that could not be answered without access to internal information. Similar studies could also be undertaken involving other small and medium organisations in the public and private sectors. The results for these organisations are expected to differ from those recorded in this study because they may not be required to adhere to the same regulatory requirements as listed companies, and thus may not be pressured to prepare and present adequate annual or integrated reports. Although we considered including small and medium-sized businesses in this study, the level of economic development in the sampled countries appears to impact the sophistication of companies in this sector, especially in Nigeria, which meant that their annual or integrated reports were not always available. Future studies in developed settings could include these types of organisations and document differences in their levels of conformance when compared to listed companies. Taken together, these recommendations for further studies promise to provide useful insights.

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Appendix 1: Data points of listed companies in South Africa and Nigeria

Data points of listed companies in South Africa

SN	Company	Annual Report	Integrated Report	Sustainability Report[4]
1	Momentum		X	X
2	BHP Group	X		X
3	Compagnie Financiere Richmont	X		X
4	British American Tobacco	X		X
5	Ab Inbev	X		X
6	Glencore	X		X
7	AngGold	X	X	X
8	Naspers		X	X
9	Firstrand		X	X
10	Standard Bank		X	X
11	Capitec		X	X
12	Gfields		X	X
13	Anglogold Ashanti	X		X
14	Vodacom Group Ltd		X	X
15	Mtn Group		X	X
16	South 32	X		X
17	Sanlam		X	X
18	Shoprite		X	X
19	Absa Bank		X	X
20	Anglo American Plat Ltd	X		X
21	Nedbank		X	X
22	Harmony		X	X
23	Bidcorp		X	X
24	Mondi Plc		X	X
25	Sibanye Stillwater		X	X

Data points of listed companies in Nigeria

[4] Some listed companies in South Africa have presented their sustainability reports under ESG reports, such as FirstRand and Standard Bank; and under Global Reporting Initiative reports, such as Harmony.

SN	Company	Annual Report	Integrated Report	Sustainability Report[5]
1	Africa Prudential Registrars Plc	X		X
2	Dangote Cement Plc	X		X
3	MTN Nigeria Communications Plc	X		X
4	Bua Cement Plc	X		X
5	Geregu Power Plc	X		
6	Transcorp Power Plc	X		X
7	Seplat	X		X
8	Guaranty Trust Holding Company	X		X
9	Zenith Bank Plc	X		X
10	Access Holdings Plc	X		X
11	FBN Holdings Plc	X		X
12	United Bank for Africa Plc	X		X
13	Transcorp Hotels Plc	X		X
14	Lafarge Cement Wapco Plc	X		X
15	Stanbic IBTC Holdings Plc	X		X
16	Nigerian Breweries Plc	X		X
17	Oando Plc	X		X
18	International Breweries Plc	X		X
19	Nestle Plc - Nigeria	X		X
20	Fidelity Bank Plc	X		X
21	Presco Plc	X		X
22	Ecobank Transnational Inc.	X		X
23	Transnational Corporation of Nigeria	X		X
24	Union Bank	X		X
25	United Capital Plc	X		X

[5] Some listed companies in Nigeria have presented their sustainability reports under ESG reports, such as Transcorp Power Plc and United Bank for Africa Plc; and under Corporate Social Responsibility reports, such as Guaranty Trust Holding Company and Zenith Bank.