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ASSESSMENT OF THE IMPACT OF ENVIRONMENTAL AUDITING ON THE INDUSTRIAL SECTOR

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ABSTRACT

This research assessed the effect of environmental auditing on the industrial sector using the case of some selected listed manufacturing in Abuja Metropolis, Federal Capital Territory, Nigeria. Increasingly, stakeholders in firms are expressing concerns with regard to environmental sustainability, corporate tendency towards lack of accountability and pressure for organizations to include environmental costs and responsibilities within their formal reporting systems have motivated the study. To achieve these, the objectives were to find out the extent of effect of environmental auditing practices on corporate performance as well as environmental disclosure among manufacturing firms, determine the impact of effectiveness of Environmental auditing practices in enhancing organization sustainability and examine what challenges militates against effective adoption and implementation of environmental Auditing practices in Nigeria respectively. It has endeavoured to adopt a survey's research design. 11. The population was 134 staff of selected listed companies having been structured within Abuja Metropolis, and Taro Yamane's formulato determine the respondents is 100. Structured questionnaires were administered to collect primary data while secondary data comprised of text books, academic journals, government publications and other relevant scholarly materials. The project supervisor carried out face validation on the instrument while reliability was determined using test-retest with a coefficient of 0.81. The data were analyzed using frequency distributions, percentages and mean scores while the hypotheses were tested at the 0.05 significant level using chi-square (χ^2). The results showed that environmental auditing played a major role in the industrial sector through corporate responsibility accountability, responsible environment management practices and organizational reputation and stakeholder confidence as well. The study also found that organizations implementing environmental Auditing practices tend to make better managerial decisions regarding environmental costs, waste management, pollution control, and sustainable resource utilization. However, the findings further revealed that environmental Auditing practices among manufacturing companies in Nigeria remain largely voluntary, inconsistent, and inadequately regulated. The absence of comprehensive environmental Auditing standards, weak regulatory enforcement, limited environmental auditing, inadequate management commitment, and insufficient professional expertise were identified as major constraints limiting effective environmental reporting and sustainability practices. Based on these findings, the study concluded that environmental Auditing is an essential tool for achieving sustainable industrial development, improving corporate transparency, and enhancing long-term organizational performance within the manufacturing sector. Nevertheless, the realization of these benefits depends largely on the establishment of comprehensive environmental Auditing standards, stronger regulatory oversight, mandatory environmental disclosure requirements, and increased organizational commitment to environmental sustainability. The study therefore recommended that government agencies and Auditing standard-setting bodies should develop and enforce uniform environmental Auditing guidelines; manufacturing firms should institutionalize regular environmental audits and integrate environmental Auditing into strategic decision-making processes; and continuous professional training should be provided to accountants, auditors, and environmental managers to improve the quality of environmental reporting. The study further recommended that future research should extend the scope to other sectors of the Nigerian economy to provide broader empirical evidence on the effectiveness of environmental Auditing in promoting sustainable development.

Keywords: Environmental Auditing, Corporate Performance, Environmental Disclosure, Sustainability, Manufacturing Sector, Regulatory Compliance.

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUNDS OF THE STUDY

Managers have become increasingly subject to pressure not just to lower operating costs, but also to reduce the environmental harm of their missions and operations within organizations. Nonetheless, Nigeria is still crippled by environmental degradation amongst as well as the crux of the some economic, social and environmental impacts. Most of this degradation and emissions have human origins and date back to the Industrial revolution in the late 1700's, when economic pursuits transitioned from agrarianism and cottage industry to mass manufacturing. With production shifting gradually from homes and small workshops to factories, the output of goods and services increased massively. Industrialization, while spurring economic growth and increasing wealth and wellbeing in many societies also imposed huge environmental costs. The rapid expansion of industrial activities have increased pollution, factory emissions, and land utilization etc., and continues to exert significant pressure on the natural environment (Mastrandrea & Schneider 2008).

Environmental Auditing is a wide area of auditing which supplies information for both internal and external use. Internally, it produces environmental data that help managers with pricing, overhead management, capital budgeting and other organizational operations. For external users, it offers information related to environmental issues of interest to the public and investors as well as regulators and the financial sector. Because of its contribution to the managerial decision making, it is often referred to as environmental management auditing (Bartolomeo et al., 2000).

Environmental auditing mainly covers identification and reporting of environment-related costs, such as liability costs, waste disposal expenses, and other costs associated with environmental impacts. Alternatively, it is the determination of costs and benefits from changes in a firm's products or production processes with environmental effects. Thus environmental auditing basically combines the economic and environmental information which can be performed at national level and also at an individual company level. Sounds capable in the national level also through the integration into the national accounting systems, which enabling analysis of environmental impact of economic operation.

Environmental auditing is the process of identifying likely areas of resource use and then measuring and communicating the associated environmental costs with the activities of a company, sector or national economy. These costs may include expenses such as cleaning and remediation of contaminated sites, environmental fines and penalties, environmental taxes, investment in pollution prevention technologies or waste management. An environmental auditing system may be a combination of environmentally differentiated auditing and ecological auditing. Whereas Environmentally differentiated auditing quantifies the effect of factors related to environment on the company in monetary terms, Ecological audit quantifies the effects of a company activity upon an environmental basis using physical indicators (Wikipedia 2013). Thus environmental auditing may involve systems for tracking and reporting on destruction and pollution; the embedding of environmental factors in business decisions; and ascribing environmental costs to economic activity (Sajad et al., 2013).

1.2 STATEMENT OF THE PROBLEM

The statement of the difficulties of this research work is to allow us to access the effect of Environmental Auditing on the industrial sector. From the evaluation conducted on the disclosure report in the financial statement of Nigeria brewers. It is found that there exist:

1. Lack of environmental awareness.
2. Lack of perceived benefit
3. Lack of government pressure
4. Lack of environmental audit.

1.3 OBJECTIVE OF THE STUDY

The study aims at showing the effect of environmental auditing and reporting procedures of manufacturing businesses of the Nigerian. Other specific objectives include:

1. To find out whether there is significant relationship between environmental awareness

and environmental Auditing in the industrial sector in Nigeria.

2. To find out if manufacturing industries in Nigeria has apparentlybenefited from environmental Auditing system
3. To find out if government pressure has significant impact on application of Auditing in Nigeria industrial sector.
4. To find out the impact of environmental audit on financial statement ofmanufacturing industries.

1.4 RESEARCH HYPOTHESES

The associated hypotheses include:

H0: There is no significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria.

Hi: There is significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria

Ho: Manufacturing industries in Nigeria has not benefited from the concept of environmental Auditing system.

Hi: Manufacturing industries in Nigeria has benefited from the concept ofenvironmental Auditing system.

Ho: Environmental audit has positive effect on the financial statement of manufacturing industries.

Hi: Environmental audit has no positive effect on the financial statement of manufacturing industries.

1.5 Significant of the study

This study was done to clarify the importance of the need to environmental Auditing, as this field continues to suffer deficiencies in the Nigerian Auditing system.

Identifying the views of financial and accountants opinions about what should be saved from the elements for the application of environmental Auditing and therefore, that would lead to the effective application of environmental Auditing and demonstrate financial lists and environmental reports, which lead to changes in consumer behavior for moving to deal with companies that show their efforts in reducing the negative environmental impacts resulting in increasing in profitability and competitiveness.

Shedding light on the role that legislations can perform in encouraging, urging, or binding companies to implement environmental Auditing.

It is expected that this study will develop management comprehension to adopt implementing environmental Auditing idea in their firms.

This study is a contribution to the achievement of social demand adopted by the bodies and governmental and private environmental organizations with respect to environmental matters and determines the cost of damages and ways of solving it.

1.6 Scope of the Study

This study carried out investigations spanning through mainly the manufacturing sectors. The study investigated the manufacturing companies among listed companies in the Nigeria Stock Exchange namely the agricultural, breweries, automobile and tyres, building materials, chemicals & paints and conglomerates listed in the Nigeria Stock Exchange Market considered as environmental polluters. There are 215 companies in their varied economic sectors from which samples are selected. The modality of this selection is reported in the section on Research Methodology.

1.7 Limitations of the study

The demanding schedule of respondents at work made it very difficult getting the respondents to participate in the survey. As a result, retrieving copies of questionnaire in timely fashion was very challenging. Also, the researcher is a student and therefore has limited time as well as resources in covering extensive literature available in conducting this research. Information provided by the researcher may not hold true for all businesses or organizations but is restricted to the selected organization used as a study in this research especially in the locality where this study is being conducted. Finally, the researcher is restricted only to the evidence provided by the participants in the research and therefore cannot determine the reliability and accuracy of the information provided.

Financial constraint: Insufficient fund tends to impede the efficiency of the researcher in sourcing for the relevant materials, literature or information and in the process of data collection (internet, questionnaire and interview).

Time constraint: The researcher will simultaneously engage in this study with other academic work. This consequently will cut down on the time devoted for the research work.

CHAPTER TWO

LITERATURE REVIEW

2.1INTRODUCTION

This chapter gives an insight into various studies conducted by outstanding researchers, as well as explained terminologies with regards to an Assessment of the impact of environmental Auditing on the industrial sector. The chapter also gives a resume of the history and present status of the problem delineated by a concise review of previous studies into closely related problems.

2.2CONCEPTUALFRAMEWORK

Historical Development of Environmental Auditing

The awareness of the environment and man's ability to cause damage to it could be traced back to the fifties of the 19th century (Asuquo, 2012). This concern had been repeatedly expressed in series of international summits and consensus right from the sixties. The starting point that comprised an organized thought proves on a large scale the celebrated public action of the club of Rome entitled "Limits to Growth" that initiated a worldwide debate of economic growth at the expense of natural environment (Shil & Iqbal, 2005). The world conference held in Stockholm on global environment in 1972 (June), where the heads of the states all over the world came together for the first time, was the pivotal event in the growth of the global environment movement (Asuquo, 2012).

In the mid-eighties, on the basis of changing situation and becoming the environmental issues, a world-wide phenomenon on the developed and developing countries, "World Commission on Environment and Development (WCED), known as "Brundtland Commission" headed by Norway's Prime Minister, Mrs. Gro Haslem Brundtland, was established by the UN. The commission published a report called "Our Common Future," in 1987, with the proposed concept of "sustainable Development." The concept received worldwide acceptance and led to the convening of the UN conference on "Earth and Development (UNCED), in Rio de Janeiro, Brazil known as Earth Summit. In this conference, heads of different states signed four documents including the "Agenda 21." The Agenda – 21 contains a checklist of do's and don'ts to protect the environment throughout the next century. Particularly, the role of corporate entities in respect of overall management of the environment has been duly recognized in the conference (Touche, 1996).

Definition of Environmental Auditing

The importance of environmental Auditing is increasing because of increasing ofenvironment problems, economic, social and technological developments (Hassan & Hakan, 2012). Several authors and institutions, have defined the term 'Environmental Auditing [EA]' in a variety of ways.

According to UK Environmental Agency (2006), EA is defined as "the collection, analysis and assessment of environmental and financial performance data obtained from business management and financial Auditing systems". Environmental Auditing can support national income Auditing, financial Auditing, or internal business managerial Auditing (US EPA, 1995).

According to Graff, Reiskin, White, & Bidwell (1998) EA is defined as a broad based term that refers to the incorporation of environmental costs and information into variety of Auditing practices. EA is a broad term which can be used in various contexts such as (International Federation of Accountants [IFAC], 2005):

1. TheAssessment and disclosure of environment-related financial information for financial Auditing and reporting purposes;

2. The Assessment and use of environment-related monetary and physical information, that is, EMA;
3. Full Cost Auditing (FCA) which involves the estimation of external environmental impacts;
4. Natural Resource Auditing (NRA) which is Auditing for the monetary and physical flows and stocks of natural resources;
5. The aggregation and reporting of Auditing information, including natural resource Auditing and other information, at the organization-level for natural Auditing purposes;
6. In the broader context of sustainability Auditing which requires consideration of environment-related monetary and physical information.

Environmental Auditing is defined as the process of environment-based categorization of business activities, collecting, analyzing and then monitoring this environment-related activities, then put all these information into business balance sheet to help an organization's decision making (Tüsiad, 2005).

Reasons for Environmental Reporting

The reasons for measuring, evaluating and disclosing environmental information in firms' financial statements are as follows (Ali, 2002, cited in Asuquo, 2012):

1. Many environmental costs can be significantly reduced or eliminated as a result of business decisions, ranging from operational and housekeeping changes to investment in cleaner production, to redesign of processes.
2. Environmental cost (and, thus, potential cost savings) may be obscured in overhead accounts or otherwise overlooked.
3. Many organizations have discovered that environmental costs can be offset by generating revenues though sales of waste by-products, for examples.
4. Auditing for environmental cost and performance can support an organization's development and operation in an overall Environmental Management System (EMS).
5. Environmental expenditures whether capital or operating costs increase dramatically day after day.
6. Management needs financial data about these expenditures.
7. For strategic cost leadership (driving cost).
8. There is need to prioritize these expenditures.
9. There are increasing needs from different stakeholders (government, investors, lenders, banks, non-governmental organizations, etc.) to have financial data on environmental performance of different organizations.
10. If Auditing does not provide financial data on the environmental performance or organizations that will help non complying organizations to pollute environment and spoil resources and yet appear more economic efficient than other which incur costs to protect the environment.
11. Naturally any entity has a main output and a secondary output of which mainly polluters can destroy and if the entity does not incur costs to mitigate or prevent it a third party in the society may have to bear it.
12. Environmental risks may result in huge environmental liabilities and subsequently the organization may be obliged to outlay payments which may affect seriously the liquidity and the financial position of the organization.
13. Managing resources properly in an environmentally friendly way will result in a competitive advantage for such organizations.
14. There is a general trend to evaluate the organization's performance according to its social and environmental effectiveness and not only on its economic effectiveness.
15. Current practices demonstrate that, no track for environmental costs was available as it

was charged randomly. Therefore, there is a need for proper charging and allocation. Distinguishing between environmental costs and other costs will lead to a proper cost allocation of these costs and thus precise pricing and will help to develop sustainability indicators.

Scope & Domain of Environmental Auditing

According to Coopers and Lybrand (1998) environmental Auditing can be expressed within the context of global environmental Auditing, national environmental Auditing and corporate environmental Auditing. It includes corporate level, national & international level (Hassan & Hakan, 2012). The following aspects are included in EA (Chauhan, 2005):

1. From Internal point of view investment made by the business sector for minimization of losses to environment. It includes investment made into the environment saving equipment/devices. This type of Auditing is easy as Money measurement is possible.
2. From external point of view all types of loss indirectly due to business operation/activities. It mainly includes:

- Degradation and destruction like soil erosion, loss of bio diversity, air pollution, water pollution, voice pollution, problem of solid waste, coastal & marine pollution.
- Depletion of nonrenewable natural resources i.e. losses arising from the overexploitation of nonrenewable natural resources like minerals, water, gas, etc.
- Deforestation and Land uses. This type of Auditing is not easy, as losses to environment cannot be measured exactly in monetary value.

Emeakponuzoand Udih (2010) divided EA into three disciplines. They are as follows: i) GlobalEnvironmental Auditing. ii) National Environmental Auditing iii) Corporate Environmental Auditing

a. Environmental Management Auditing
b. Environmental Financial Auditing

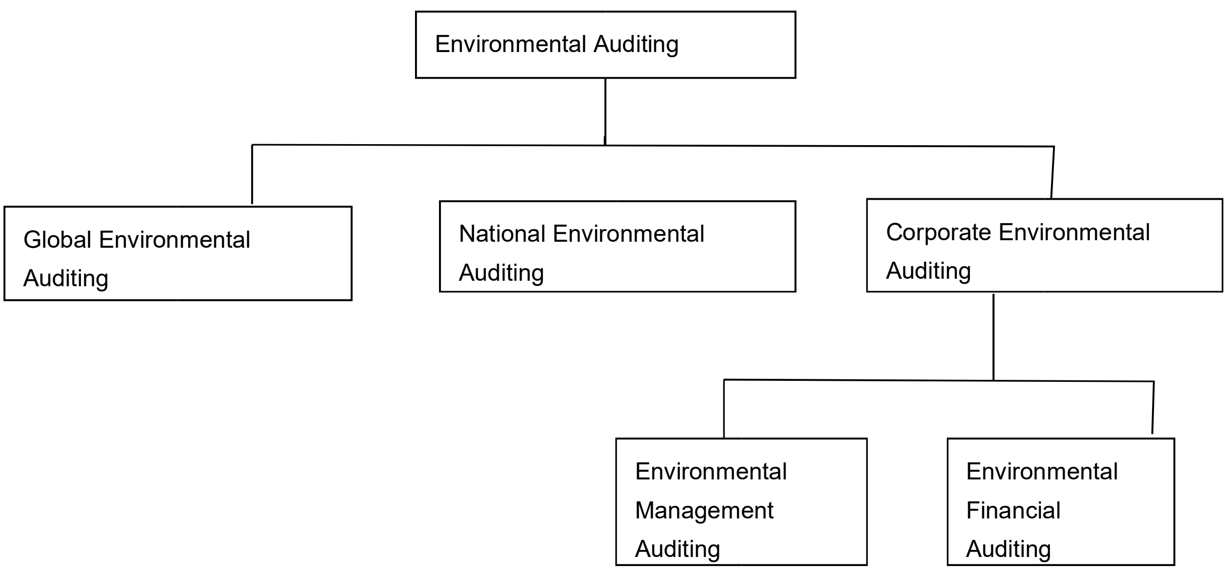

Figure 2.1: Environmental Auditing Disciplines *Source: Graff, Reiskin, White, & Bidwell (1998)*

Benefits of applying the environmental Auditing

It is not possible to consider the high cost of applying the environmental Auditing without taking into account the benefits that can be achieved when applying it (Sekaran: 2003). It can reveal that the attention concerning measuring the environmental performance costs will help in improving this performance, which in return affects in enhancing economic performance of the organization (1997, RUSSO), also enhance the reputation of the establishment's value, and thus improve its competitiveness (Toms 2002). This shows the necessity of measuring the environmental performance costs and analysis it objectively, so that it can lead to the rationalization of administrative decisions, so the mere inventory and measure the environmental performance costs considered useless unless it results in better decision-making (Ranayamatian & Dirz: 1996). The natural resources and environment account systems aimed at assisting the competent authorities of the country in preparing the plan for long-term for natural resource that is explored in their future development (Alfsen, 1993). This will lead to a number of Auditing reports that show balances and statistical data for the natural resources of the country in certain history, also show the organizations and international bodies, which enable the planning authority to allocate these resources among the different uses in order to achieve the largest possible return of those resources, as mentioned in the preparation of various reports of environmental indicators in the country which achieve the control over the elements of various environmental pollution and decision-making concerning the reductions of pollution as possible (Haan, 1993). The most important goals sought by the studies and research that is done through the United Nations of Environment Programme (UNEP) in the field of environmental Auditing is an attempt to link actual, environmental and monitory Auditing of the natural resources, and environmental impacts (Bartelmus, 1992). The provision of actual and financial Auditing data for the operations and environmental activities can make the organs of the country to determine the funds needed to achieve optimal management of the environment and the expression of negative and positive impact of the environment in the form of money.

2.3THEORETICAL FRAMEWORK

The study relied on Legitimacy Theory (LT) in explaining the reason and need for environmental Auditing and reporting by firms. Legitimacy theory was selected because it provides an understanding for voluntary environmental disclosure by firms.

Legitimacy Theory

Gray (2000) observed that since the 90s, there has been significant growth in environmental and social reporting. Researchers have agreed to prime dominance of legitimacy theory as a factor for the increase in corporate social and environmental reporting (O'Donovan, 1999; Walden & Schwartz, 1997, Gray, Kouhy, & Lavers, 1995; Hooghiemstra, 2000; Wilmshurt & Frost, 2000; Uwuigbe & Uadiale, 2011).

There is always a social contract that is binding on an organization. A social contract shows the expectations society expects from the organizations operations. Organizations try to make sure they try to operate within the bounds and norms of their respective society. Legitimacy theory suggests that businesses operate in a society according to the social contract upon which their survival and growth are dependent. Legitimacy theory posits that a social contract or agreement exists between an enterprise and its constituents due to which business agrees to perform various socially desired actions in return for approval of its objectives, other rewards and ultimate survival (Gutherie & Parker, 1989).

Other theories necessitating the need for social and environmental Auditing include:

Stakeholders theory: This theory focuses more on meeting stakeholders demands so as to achieve strategic firm objectives. It considers the different stakeholder groups within the society and how they could best be managed. It looks at the relationship between an organization and others in its internal and external environment. It also takes into cognizance how these relationships affect the way the organization.

2.4EMPIRICAL REVIEW

Within the domain of environmental Auditing and reporting literature, several studies have been done in both developed and developing countries, each with its focus on a particular industry. The studies are briefly presented below:

Jerry, Teru, and Musa (2014) conducted a study on "Environmental Auditing Disclosure Practice of Nigerian Quoted Firms: A Case Study of Some Selected Quoted Consumer Goods Companies". The study analyzed the environmental Auditing disclosures practices of Nigerian quoted firms, to see how it varies from one company to another since there are no mandatory disclosure guidelines. A sample of 8 quoted companies was selected from the consumer goods companies listed on the Nigerian Stock Exchange. Content analysis was used to obtain data from published annual reports of 2013 of the selected firms. And the data obtained were analyzed using one way analysis of variance to test the hypothesis. It was discovered that the non-existence of standard leads to lack of uniformity in disclosure and variations among companies.

Arong, Ezugwu, and Egbere, (2014) carried out a study on "Environmental Cost Management and Profitability of Oil Sector in Nigeria". The aim of the study was to ascertain the effects of environmental cost management on the profitability of oil sector in Nigeria from 2004 to 2013. Data were obtained from the Central Bank of Nigeria (CBN) Statistical Bulletin. The secondary data obtained was analysed with multiple regression technique. The result revealed that there exist a significant relationship between environmental cost management and profitability of Oil Sector in Nigeria. It was also discovered that there are established standards in Nigeria guiding environmental cost management in the Oil & Gas Sector in Nigeria. However, there is a lacuna in external reporting of environmental cost data in Nigeria.

Ibanichuka and Oyadonghan (2014) conducted a study on "The Relevance of Environmental Cost Classification and Financial Reporting: A Review of Standards". Using a content analysis, the researchers discovered that firms report their environmental cost with no specific classification of, to enable them report in the either the income statement or the statement of financial position. As a result, firms only give a descriptive disclosure of environmental cost with no monetary value in the chairman's or director's report.

The study by Onyali, Okafor and Egolum (2014) titled "An Assessment of Environmental Information Disclosure Practices of Selected Nigerian Manufacturing Companies" was designed to assess the extent, nature and quality of environmental information disclosure practices by manufacturing firms in Nigeria. Content analysis was adopted in analyzing the annual report of the selected firms with regards to their environmental disclosure practices. In addition, a survey was carried out in order to ascertain whether the environmental disclosure practice of firms in Nigeria has improved. The findings of the study indicated that the environmental disclosure practices of firms in Nigeria is still adhoc and contains little or no quantifiable data.

Makori and Jagongo (2013) conducted a study on "Environmental Auditing and Firm Profitability: An Empirical Analysis of Selected Firms Listed in Bombay Stock Exchange, India". The data for the study were collected from annual reports and accounts of 14 randomly selected quoted companies in Bombay Stock Exchange in India. The data were analyzed using multiple regression models. The key findings of the study shows that there is significant negative relationship between Environmental Auditing and Return on Capital Employed (ROCE) and Earnings per Share (EPS) and a significant positive relationship between Environmental Auditing and Net Profit Margin and Dividend per Share.

Bassey, Effiok and Eton (2013) carried out a study on "The Impact of Environmental Auditing and Reporting on Organizational Performance of Selected Oil and Gas Companies in Niger Delta Region of Nigeria". The study was conducted using the Pearson's product moment correlation coefficient. Data were gathered from both primary and secondary sources. It was found from the study that environmental costs have a satisfied relationship with firm's profitability. It was concluded that environmentally friendly firms will significantly disclose environmental related information in financial statements and reports.

Okafor, Okaro and Egbunike (2013), conducted a study on "Environmental Cost Auditing and Cost Allocation (a Study of Selected Manufacturing Companies in Nigeria)". The study sought to determine the extent to which Nigerian firms have embraced Environmental cost Auditing in cost allocation. The study relied on a survey of 105 Accountants from twenty-five (25) quoted manufacturing companies. The study revealed that majority of the firms have not embraced environmental cost Auditing, they still lump all indirect costs under overhead. It also revealed that significant differences exist among firms on the method of allocating environmental costs to products/processes.

Asuquo (2012) carried out a study on "Environmental Friendly Policies and Their Financial Effects on Corporate Performance of Selected Oil & Gas Companies in Niger Delta Region of Nigeria". Data were collected from both primary and secondary sources. Thereafter, the data were analyzed using simple ordinary least square regression method and the study hypothesis was also validated. The study revealed that the cost of ensuring environmental friendly policies as well as firm competitiveness have significant relationship with the firms' profitability (Corporate performance). Thus it was concluded that the related cost of environmental protection and management positively influences a firm's profitability; and environmental friendly organization enjoy high level of corporate competitiveness resulting in high performance.

Beredugo and Mefor (2012) conducted a study on "The Impact of Environmental Auditing and Reporting on Sustainable Development in Nigeria". The study adopted the survey research design and data were drawn from both primary and secondary sources. The primary data were elicited from respondents drawn from Rivers State and Lagos State, while the secondary data were from previous researchers' contributions. Hypothesis were developed which linked Environmental

Auditing and Reporting to sustainable development in Nigeria. The results indicate that Environmental Auditing and Reporting is positively related to sustainable development and there are consequences to non-compliance.

Ahmad (2012) carried out a study on "Environmental Auditing and Reporting practices: Significance and issues-A Case from Bangladeshi Companies". The study was based on both primary and secondary data. The primary data were collected from the total number of 40 chief accountants and senior accountants, taking one from each company while the secondary data collected from the Annual reports – 2010 of the companies. The findings of the study showed that Environmental Auditing and Reporting practices in the selected companies have been far from satisfactory and hence poor in real sense of the term.

Uwuigbe and Jimoh (2012) conducted a research on "Corporate Environmental Disclosures in the Nigerian industrial sector: A study of selected Firms". The study was based on the stakeholders' theory and the selected firms were manufacturing firms listed on the Nigerian Stock Exchange. The study as part of its findings observed that the level of environmental disclosure practices in the industry is still very low and is still at its embryonic stage in Nigeria.

Uwuigbe and Uadiale (2011) carried out a study on "Corporate Social and Environmental Disclosure in Nigeria: A Comparative Study of Building Material and Brewery Industry". This study investigates the level of corporate social environmental disclosure among listed companies in the brewery and building material industry in Nigeria. The corporate annual reports for the periods 2004-2008 were utilized as the main source of secondary data. While the content analysis technique was used as a basis of eliciting data from the annual report, the student t-test statistics was used in the process of analyzing if there was a significant difference in the level of corporate social environmental disclosure between the sampled industries. The paper as part of its findings revealed that there is a significant difference in the level of corporate social environmental disclosures between the selected industries.

Enahoro (2009) conducted a study on the 'Design and Bases of Environmental Auditing in Oil & Gas/Manufacturing Sectors in Nigeria'. The data for this study were from both primary and secondary sources. For this purpose, both cross-sectional content analyses (within and across sector companies) and longitudinal (ten year annual reports and financial statements) content analyses of 132 companies in their sub-sectors as in Nigeria Stock Exchange were employed.

2.5SUMMARY OF LITERATURE REVIEW

The review was done under the following: theoretical framework conceptual framework and review of empirical studies.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1Introduction

This chapter covers the description and discussion on the various techniques and procedures used in the study to collect and analyze the data as it is deemed appropriate

3.2Research Design

For this study, the survey research design was adopted. The choice of the design was informed by the objectives of the study as outlined in chapter one. This research design provides a quickly efficient and accurate means of assessing information about a population of interest. It intends to study an Assessment of the impact of environmental Auditing on the industrial sector. The study will be conducted in Abuja metropolis.

3.3Population of the Study

The population for this study were staff of listed companies in the Nigeria Stock Exchange in Abuja metropolis, FCT, Nigeria. A total of 134 respondents were selected from the population figure out of which the sample size was determined. The reason for choosing Abuja metropolis is because of its proximity to the researcher.

3.4Sample and Sampling Techniques

The researcher used Taro Yamane's formula to determine the sample size from the population.

Taro Yamane's formula is given as;

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

Where N = Population of study (134)

n = Sample size (?)

e = Level of significance at 5% (0.05)

1 = Constant

$$n = \frac{134}{1 + 134(0.05)^2} = \frac{134}{1 + 134(0.0025)} = \frac{134}{1 + 0.335}$$

$$n = \frac{134}{1.335} = 100$$

The sample size therefore is 100 respondents.

3.5Research Instrument and Instrumentation

Data for this study was collected from primary and secondary sources. The primary source of data collected was mainly the use of a structured questionnaire which was designed to elicit information on an Assessment of the impact of environmental Auditing on the industrial sector. The secondary source of data collections were textbooks, journals and scholarly materials.

3.6Validity of Instrument

The instrument of this study was subjected to face validation. Face validation tests the appropriateness of the questionnaire items. This is because face validation is often used to indicate whether an instrument on the face of it appears to measures what it contains. Face validations therefore aims at determining the extent to which the questionnaire is relevant to the objectives of the study.

In subjecting the instrument for face validation, copies of the initial draft of the questionnaire will be validated by supervisor. The supervisor is expected to critically examine the items of the instrument with specific objectives of the study and make useful suggestions to improve the quality of the instrument. Based on his recommendations the instrument will be adjusted and re-adjusted before being administered for the study.

3.7Reliability of Instrument

The coefficient of 0.81 was considered a reliability coefficient because according to Etuk (1990), a test-retest coefficient of 0.5 will be enough to justify the use of a research instrument.

3.8Method of Data Collection

This study is based on the two possible sources of data which are the primary and secondary source.

a. **Primary Source of Data:**The primary data for this study consist of raw data generated from responses to questionnaires and interview by the respondents.

b. **Secondary Source of Data:**The secondary data includes information obtained through the review of literature that is journals, monographs, textbooks and other periodicals.

3.9Method of Data Analysis

Data collected will be analyzed using frequency table, percentage and mean score analysis while the nonparametric statistical test (Chi- square) was used to test the formulated hypothesis using SPSS (statistical package for social sciences). Haven gathered the data through the administration of questionnaire, the collected data will be coded, tabulated and analyzed using SPSS statistical software according to the research question and hypothesis. In order to effectively analyze the data collected for easy management and accuracy, the chi square method will be used for test of independence. Chi square is given as

$$X^2 = \frac{\sum(O-E)^2}{E}$$

Where X^2 = chi square

o = observed frequency

e = expected frequency

Level of confidence / degree of freedom

When employing the chi – square test, a certain level of confidence or margin of error has to be assumed. More also, the degree of freedom in the table has to be determined in simple variable, row and column distribution, degree of freedom is: df = (r-1) (c-1)

Where; df = degree of freedom

r = number of rows

c = number of columns.

In determining the critical chi _ square value, the value of confidence is assumed to be at 95% or 0.95. a margin of 5% or 0.05 is allowed for judgment error.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter deals with the presentation and analysis of the result obtained from questionnaires. The data gathered were presented according to the order in which they were arranged in the research questions and simple percentage were used to analyze the demographic information of the respondents while the chi square test was adopted to test the research hypothesis.

4.2 Analysis of Demographic Data of Respondents

Table 1: Gender of Respondents

		Frequency	Percent	Cumulative Percent
Valid	Male	65	65.0	65.0
	Female	35	35.0	100.0
	Total	100	100.0	

Source: Field Survey, 2020.

Table1 above shows the gender distribution of the respondents used for this study. Out of the total number of 100 respondents, 65respondents which represent 65.0percent of the population are male. 35 which represent 35.0 percent of the population are female.

Table 2: Age range of Respondents

		Frequency	Percent	Cumulative Percent
Valid	10-20years	15	15.0	15.0

	21-30years	10	10.0	25.0
	31-40years	25	25.0	50.0
	41-50years	20	20.0	70.0
	above 50years	30	30.0	100.0
	Total	100	100.0	

Source: Field Survey, 2020.

Table 2 above shows the age grade of the respondents used for this study. Out of the total number of 100 respondents, 15 respondents which represent 15.0percent of the population are between 10-20years. 10respondents which represent 10.0percent of the population are between 21-30years. 25respondents which represent 25.0percent of the population are between 31-40years. 20respondents which represent 20.0percent of the population are between 41-50years. 30respondents which represent 30.0percent of the population are above 50years.

Table 3: Educational Background of Respondents

		Frequency	Percent	Cumulative Percent
Valid	FSLC	20	20.0	20.0
	WASSCE/GCE/NECO	25	25.0	45.0
	OND/HND/BSC	35	35.0	80.0
	MSC/PGD/PHD	15	15.0	95.0
	OTHERS	5	5.0	100.0
	Total	100	100.0	

Source: Field Survey, 2020.

Table 3 above shows the educational background of the respondents used for this study. Out of the total number of 100 respondents, 20 respondents which represent 20.0percent of the population are FSLC holders. 25 which represent 25.0percent of the population are SSCE/GCE/WASSCE holders. 35 which represent 35.0percent of the population are OND/HND/BSC holders. 15 which represent 15.0percent of the population are MSC/PGD/PHD holders. 5 which represent 5.0percent of the population had other type of educational qualifications.

Table 4: Marital Status

		Frequency	Percent	Cumulative Percent
Valid	Single	30	30.0	30.0
	Married	55	15.0	45.0
	Divorced	5	20.0	65.0
	Widowed	10	15.0	80.0
	Total	100	100.0	

Source: Field Survey, 2020.

Table 4 above shows the marital status of the respondents used for this study. 30 which represent 30.0percent of the population are single. 55 which represent 55.0percent of the population are married. 5 which represent 5.0percent of the population are divorced. 10 which represent 10.0percent of the population are widowed.

Table 5: Category of Respondents

		Frequency	Percent	Cumulative Percent
Valid	Senior staff	25	25.0	25.0
	Middle staff	45	45.0	70.0
	Junior staff	30	30.0	100.0
	Total	100	100.0	

Source: Field Survey, 2020.

Table 5 shows the category of respondents used for the study. 25 respondents representing 25.0perrcent of the population under study are senior staff. 45 respondents representing 45.0perrcent of the population under study are middle staff. 30 respondents representing 30.0perrcent of the population under study are junior staff.

4.3Analysis of Psychographic Data

Table 6: There is no significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria.

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	30	30.0	30.0
	Agree	42	42.0	72.0
	Undecided	10	10.0	82.0
	Disagree	10	10.0	92.0
	Strongly disagree	8	8.0	100.0
	Total	100	100.0	

Source: Field Survey, 2020.

Table 6 shows the responses of respondents if there is no significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria. 30 respondents representing 30.0percent strongly agreed that there is no significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria. 42 respondents representing 42.0percent agreed that there is no significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria. 10 respondents representing 10.0 percent were undecided. 10 respondents representing 10.0percent disagreed that there is no significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria. 8 respondents representing 8.0percent strongly disagreed that there is no significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria.

Table 7: Manufacturing industries in Nigeria has not benefited from the concept of environmental Auditing system.

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	10	10.0	10.0
	Agree	15	15.0	25.0
	Undecided	5	5.0	30.0
	Disagree	40	40.0	70.0
	Strongly disagree	30	30.0	100.0
	Total	100	100.0	

Source: Field Survey, 2020.

Table 7 show the responses of respondents if manufacturing industries in Nigeria has not benefited from the concept of environmental Auditing system.10 of the respondents representing 10.0percent strongly agree that manufacturing industries in Nigeria has not benefited from the concept of environmental Auditing system.15 of the respondents representing 15.0percent agree that manufacturing industries in Nigeria has not benefited from the concept of environmental Auditing system.5 of them representing 5.0percent were undecided. 40 of the respondents representing 40.0percent disagree that manufacturing industries in Nigeria has not benefited from the concept of environmental Auditing system.30 of the respondents representing 30.0percent strongly disagree that manufacturing industries in Nigeria has not benefited from the concept of environmental Auditing system.

Table 8: Environmental audit has no positive effect on the financial statement of manufacturing industries.

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	60	60.0	60.0
	Agree	25	25.0	85.0
	Undecided	10	10.0	95.0
	Disagree	5	5.0	100.0
	Total	100	100.0	

Source: Field Survey, 2020.

Table 8 show the responses of respondents if environmental audit has no positive effect on the financial statement of manufacturing industries.60 of the respondents representing 60.0percent strongly agree that environmental audit has no positive effect on the financial statement of manufacturing industries.25 of the respondents representing 25.0percent agree that environmental audit has no positive effect on the financial statement of manufacturing industries.10 of them representing 10.0percent were undecided. 5 of the respondents representing 5.0percent disagree that environmental audit has no positive effect on the financial statement of manufacturing industries.

Table 9: Government pressure does not have any significant impact on the application of Auditing in Nigeria manufacturing industries.

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	25	25.0	25.0

	Agree	32	32.0	57.0
	Undecided	13	13.0	70.0
	Disagree	15	15.0	85.0
	Strongly disagree	15	15.0	100.0
	Total	100	100.0	

Source: Field Survey, 2020.

Table 9 shows the responses of respondents if government pressure does not have any significant impact on the application of Auditing in Nigeria manufacturing industries.25 of the respondents representing 25.0percent strongly agree that government pressure does not have any significant impact on the application of Auditing in Nigeria manufacturing industries.32 of the respondents representing 32.0percent agree that government pressure does not have any significant impact on the application of Auditing in Nigeria manufacturing industries.13 of the respondents representing 13.0percent were undecided. 15 of the respondents representing 15.0percent disagree that government pressure does not have any significant impact on the application of Auditing in Nigeria manufacturing industries.15 of the respondents representing 15.0percent strongly disagree that government pressure does not have any significant impact on the application of Auditing in Nigeria manufacturing industries.

Table 10: Most organizations in the industrial sector lack environmental awareness.

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	65	65.0	65.0
	Agree	30	30.0	95.0
	Disagree	3	3.0	98.0
	Strongly disagree	2	2.0	100.0
	Total	100	100.0	

Source: Field Survey, 2020.

Table 10 show the responses of respondents if most organizations in the industrial sector lack environmental awareness.65 of the respondents representing 65.0percent strongly agree that most organizations in the industrial sector lack environmental awareness.30 of the respondents representing 30.0percent agree that most organizations in the industrial sector lack environmental awareness.3 respondents representing 3.0percent were undecided. 3 of the respondents representing 3.0percent disagree that most organizations in the industrial sector lack environmental awareness.2 of the respondents representing 2.0percent strongly disagree that most organizations in the industrial sector lack environmental awareness.

4.4Test of Hypotheses

Hypothesis I

H0: There is no significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria.

Hi: There is significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria

Level of significance: 0.05

Decision rule: reject the null hypothesis H_0 if the p value is less than the level of significance. Accept the null hypothesis if otherwise.

Table 11Test Statistics

	There is significant relationship between environmental awareness andenvironmental Auditing in the industrial sector in Nigeria
Chi-Square	105.520[a]
Df	3
Asymp. Sig.	**.000**

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 25.0.

Conclusions based on decision rule:

Since the p-value= 0.000 is less than the level of significance (0.05), we reject the null hypothesis and conclude that there is significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria

Hypothesis II

Ho: Manufacturing industries in Nigeria has not benefited from the concept of environmental Auditing system.

Hi: Manufacturing industries in Nigeria has benefited from the concept of environmental Auditing system.

Level of significance: 0.05

Decision rule: reject the null hypothesis H_0 if the p value is less than the level of significance. Accept the null hypothesis if otherwise.

Table 12 Test Statistics

	Manufacturing industries in Nigeria has benefited from the concept of environmental Auditing system.
Chi-Square	70.347[a]
Df	2
Asymp. Sig.	**.000**

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 25.0.

Conclusions based on decision rule:

Since the p-value= 0.000 is less than the level of significance (0.05), we reject the null hypothesis and conclude that manufacturing industries in Nigeria has benefited from the concept ofenvironmental Auditing system.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

This study evaluated the impact of environmental Auditing on the industrial sector, with particular emphasis on how environmental Auditing practices influence corporate performance, environmental sustainability, accountability, and long-term organizational growth. The increasing awareness of environmental degradation, climate change, pollution, resource depletion, and global sustainability concerns has made environmental Auditing an indispensable component of modern corporate governance. Manufacturing firms, being among the largest consumers of natural resources and generators of industrial waste, are expected to integrate environmental considerations into their financial reporting and strategic decision-making processes. Consequently, this study sought to determine whether environmental Auditing contributes positively to organizational performance and sustainable industrial development.

The findings of the study revealed that environmental Auditing has a significant influence on the operations and performance of manufacturing companies. Specifically, the analysis indicated that while some environmental Auditing indicators exhibited positive relationships with measures of organizational performance, others demonstrated negative or weak relationships. These variations suggest that the effectiveness of environmental Auditing depends largely on the extent of its implementation, the commitment of management, the availability of regulatory frameworks, and the level of awareness among corporate stakeholders. Organizations that invest in environmental management initiatives generally enjoy improved corporate reputation, stronger stakeholder confidence, enhanced operational efficiency, and better long-term financial sustainability.

Despite these positive outcomes, the study established that environmental Auditing practices among manufacturing firms in Nigeria remain largely inadequate and underdeveloped. Environmental disclosure continues to be characterized by inconsistency, generalization, and voluntary reporting rather than comprehensive, standardized, and mandatory disclosure. Most companies disclose only limited environmental information, often highlighting positive environmental initiatives while omitting information relating to environmental liabilities, pollution costs, remediation expenses, or regulatory violations. Such selective disclosure limits the usefulness of environmental reports for investors, regulators, researchers, and the general public.

The study further observed that Nigeria still lacks comprehensive environmental Auditing standards specifically designed to regulate corporate environmental reporting. Although some organizations voluntarily adopt international sustainability reporting frameworks, there is no universally enforced national Auditing standard that compels companies to recognize, measure, disclose, and report environmental costs and environmental liabilities in a consistent manner. Consequently, the absence of uniform reporting guidelines has resulted in significant variations in disclosure quality across manufacturing firms.

Another important finding is the limited enforcement of environmental auditing within Nigerian manufacturing industries. Environmental audits remain largely voluntary, and there is no statutory requirement compelling companies to undertake periodic environmental performance assessments. As a result, organizations may continue to engage in environmentally harmful activities without adequate monitoring or independent verification of their environmental claims. This situation weakens accountability and reduces public confidence in corporate sustainability reports.

Furthermore, the study established that many manufacturing companies perceive environmental Auditing primarily as a compliance obligation or public relations strategy rather than as a strategic management tool capable of creating long-term economic value. Consequently, environmental reporting often emphasizes corporate image enhancement instead of providing objective, transparent, and measurable environmental performance information. This finding supports the argument that voluntary disclosure alone is insufficient to achieve meaningful improvements in environmental accountability.

The study also demonstrated that environmental Auditing contributes to better managerial decision-making when properly implemented. The identification, measurement, and reporting of environmental costs enable management to evaluate production processes more effectively, reduce waste generation, improve resource utilization, and identify opportunities for cost savings through energy efficiency and cleaner production technologies. Organizations that integrate environmental Auditing into their strategic planning are therefore better positioned to achieve both environmental sustainability and financial performance.

Moreover, the findings suggest that environmental Auditing enhances stakeholder confidence. Investors increasingly consider environmental performance when making investment decisions, while customers, regulators, host communities, and international business partners expect organizations to operate responsibly. Companies that maintain transparent environmental reporting systems are therefore more likely to attract investment, improve customer loyalty, strengthen corporate reputation, and maintain positive relationships with host communities.

The research equally revealed that the absence of strong regulatory oversight contributes significantly to poor environmental disclosure practices. Regulatory agencies often face challenges relating to inadequate monitoring capacity, weak enforcement mechanisms, insufficient technical expertise, and limited sanctions against non-compliant organizations. Consequently, many manufacturing firms continue to treat environmental reporting as an optional activity rather than a legal obligation.

The study further indicates that effective environmental Auditing can contribute substantially to sustainable national development. Manufacturing industries that adopt environmentally responsible production practices reduce environmental degradation, conserve natural resources, minimize pollution, improve public health outcomes, and contribute to achieving sustainable development objectives. Therefore, promoting environmental Auditing extends benefits beyond individual organizations to society, the economy, and future generations.

In addition, the findings emphasize the growing importance of integrating environmental Auditing with corporate governance structures. Boards of directors, audit committees, and executive management should assume greater responsibility for environmental oversight by ensuring that environmental risks are identified, monitored, and adequately disclosed. Strong corporate governance mechanisms can improve transparency, strengthen accountability, and enhance compliance with environmental regulations.

The study also highlights the need for capacity building among Auditing professionals, auditors, environmental managers, and regulatory agencies. Many professionals still possess limited knowledge regarding environmental Auditing techniques, sustainability reporting standards, carbon Auditing, environmental cost measurement, and integrated reporting practices. Continuous professional development programmes are therefore necessary to improve the quality of environmental reporting across the manufacturing sector.

Another important conclusion drawn from this study is that environmental Auditing should not be viewed merely as an additional financial burden. Although implementing environmental management systems may require initial investments, such investments often produce significant long-term economic benefits through improved operational efficiency, reduced waste disposal costs, enhanced energy conservation, lower legal liabilities, and increased competitive advantage. Consequently, organizations should recognize environmental Auditing as a strategic investment rather than an avoidable expense.

The findings also demonstrate that globalization and international market competition have increased pressure on Nigerian manufacturing companies to improve environmental reporting practices. International investors, development partners, multinational corporations, and export markets increasingly demand compliance with global sustainability standards. Companies that fail to adopt credible environmental Auditing systems may therefore face reduced access to international markets and investment opportunities.

Overall, this study concludes that environmental Auditing has considerable potential to improve corporate performance, environmental sustainability, and stakeholder confidence within Nigeria's industrial sector. However, realizing these benefits requires stronger institutional support, mandatory reporting requirements, effective environmental auditing, enhanced regulatory enforcement, professional capacity development, and greater corporate commitment to sustainability principles. Without these reforms, environmental Auditing practices are likely to remain fragmented, voluntary, and insufficient to address the environmental challenges associated with industrial development in Nigeria.

Ultimately, environmental Auditing should become an integral component of corporate financial reporting, strategic management, and national environmental policy. A coordinated effort involving government agencies, Auditing standard-setting bodies, manufacturing firms, professional Auditing organizations, environmental regulators, investors, and civil society will significantly improve environmental transparency and contribute to sustainable industrial development. Such collaborative efforts will ensure that manufacturing organizations not only pursue profitability but also fulfill their environmental responsibilities, thereby promoting inclusive economic growth and safeguarding environmental resources for present and future generations.

5.2 Recommendations

Based on the findings and conclusions of this study, the following recommendations are made:

1. **Development of Comprehensive Environmental Auditing Standards:** Regulatory authorities, Auditing professional bodies, and standard-setting agencies should develop comprehensive environmental Auditing standards that provide clear guidelines for recognizing, measuring, reporting, and disclosing environmental costs, liabilities, assets, and sustainability initiatives. Such standards should align with international best practices while addressing Nigeria's unique environmental and industrial challenges.
2. **Mandatory Environmental Disclosure Requirements:** Government should enact legislation making environmental Auditing disclosure mandatory for manufacturing companies. Standardized reporting requirements will improve transparency, comparability, accountability, and stakeholder confidence while reducing selective or misleading environmental disclosures.
3. **Strengthening Regulatory Enforcement:** Environmental regulatory agencies should strengthen monitoring, inspection, and enforcement mechanisms to ensure strict compliance with environmental reporting requirements. Appropriate sanctions should be imposed on organizations that fail to comply with environmental laws and disclosure regulations.
4. **Institutionalization of Environmental Audits:** Manufacturing companies should be required to conduct periodic independent environmental audits. Regular environmental audits will assess compliance with environmental regulations, evaluate environmental management systems, identify operational weaknesses, and promote continuous improvement in environmental performance.
5. **Capacity Building and Professional Training:** Continuous training programmes should be organized for accountants, auditors, environmental managers, regulators, and corporate executives on environmental Auditing practices, sustainability reporting, environmental cost management, carbon Auditing, and integrated reporting frameworks to improve reporting quality.
6. **Promotion of Environmentally Friendly Production Practices:** Manufacturing firms should invest in cleaner production technologies, energy-efficient equipment, waste minimization strategies, pollution control systems, recycling initiatives, and renewable energy sources to reduce environmental degradation while enhancing operational efficiency and profitability.
7. **Integration of Environmental Auditing into Corporate Strategy:** Environmental Auditing should be incorporated into organizational planning, budgeting, investment appraisal, risk management, and performance Assessment processes. Management should treat environmental sustainability as a strategic objective rather than merely a regulatory obligation.
8. **Stakeholder Engagement and Transparency:** Manufacturing firms should actively engage investors, employees, host communities, customers, environmental organizations, and government agencies in environmental decision-making processes. Regular publication of transparent sustainability reports will strengthen trust and improve corporate reputation.
9. **Government Incentives for Sustainable Practices:** Government should introduce incentives such as tax reliefs, grants, low-interest financing, and public recognition programmes to encourage companies that

invest significantly in environmental protection, pollution control, renewable energy, and sustainable manufacturing technologies.

10. **Support for Future Research:** Future researchers should investigate the long-term financial implications of environmental Auditing across different sectors of the Nigerian economy, including oil and gas, banking, agriculture, telecommunications, and public institutions. Comparative studies between Nigeria and other developing economies would also provide deeper insights into best practices and policy improvements.

In conclusion, implementing these recommendations will strengthen environmental Auditing practices, improve corporate transparency, promote sustainable industrial development, enhance environmental protection, and support Nigeria's transition toward a more responsible, competitive, and environmentally sustainable manufacturing sector.

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APPENDIX I

QUESTIONNAIRE

INSTRUCTION: Please endeavor to complete the questionnaire by ticking the correct answer (s) from the options or supply the information where necessary.

1. Gender

☐ a. Male
☐ b. Female

2. Age range

☐ a. 10-20
☐ b. 21-30
☐ c. 31-40
☐ d. 41-50
☐ e. Above 50

3. Educational qualification

☐ a. FSLC
☐ b. WASSCE/GCE/NECO
☐ c. OND/HND/BSC

☐ d. MSC/PGD/MBA/PHD

☐ e. Others

4. Marital Status

☐ a. Single

☐ b. Married

☐ c. Divorced

☐ d. Widowed

5. Category of Respondent

☐ a. Senior staff

☐ b. Middle staff

☐ c. Junior staff

SECTION B

QUESTIONS ON AN Assessment OF THE IMPACT OF ENVIRONMENTAL Auditing ON THE industrial sector.

6. There is no significant relationship between environmental awareness and environmental Auditing in the industrial sector in Nigeria.

☐ a. Strongly agreed

☐ b. Agreed

☐ c. Undecided

☐ d. Disagreed

☐ e. Strongly disagreed

7. Manufacturing industries in Nigeria has not benefited from the concept of environmental Auditing system.

☐ a. Strongly agreed

☐ b. Agreed

☐ c. Undecided

☐ d. Disagreed

☐ e. Strongly disagreed

8. Environmental audit has no positive effect on the financial statement of manufacturing industries.

☐ a. Strongly agreed

☐ b. Agreed

☐ c. Undecided

☐ d. Disagreed

☐ e. Strongly disagreed

9. Government pressure does not have any significant impact on the application of Auditing in Nigeria manufacturing industries.

☐ a. Strongly agreed

☐ b. Agreed

☐ c. Undecided

☐ d. Disagreed

☐ e. Strongly disagreed

10. Most organizations in the industrial sector lack environmental awareness.

☐ a. Strongly agreed

☐ b. Agreed

☐ c. Undecided

☐ d. Disagreed

☐ e. Strongly disagreed