



Gusau Journal of Accounting and Finance (GUJAF)

Vol. 5 Issue 1, April, 2024 ISSN: 2756-665X

A Publication of
Department of Accounting and Finance,
Faculty of Management and Social Sciences,
Federal University Gusau, Zamfara State -Nigeria

© Department of Accounting and Finance

Vol. 5 Issue 1
April, 2024
ISSN: 2756-665X

A Publication of
Department of Accounting and Finance,
Faculty of Management and Social Sciences,
Federal University Gusau, Zamfara State -Nigeria

All Rights reserved

Except for academic purposes no part or whole of this publication is allowed to be reproduced, stored in a retrieval system or transmitted in any form or by any means be it mechanical, electrical, photocopying, recording or otherwise, without prior permission of the Copyright owner.

Published and Printed by
Ahmadu Bello University Press Limited, Zaria,
Kaduna State, Nigeria.
Tel: 08065949711
e-mail: abupress@abu.edu.ng
info@abupress.com.ng
abupress2013@gmail.com
Website: www.abupress.com.ng

EDITORIAL BOARD

Editor-in-Chief:

Prof. Shehu Usman Hassan

Department of Accounting, Federal University of Kashere, Gombe State.

Associate Editor:

Dr. Muhammad Mustapha Bagudo

Department of Accounting, Ahmadu Bello University Zaria, Kaduna State.

Managing Editor:

Umar Farouk Abdulkarim

Department of Accounting and Finance, Federal University Gusau, Zamfara State.

Editorial Board

Prof. Ahmad Modu Kumshe

Department of Accounting, University of Maiduguri, Borno State.

Prof Ugochukwu C. Nzewi

Department of Accounting, Paul University Awka, Anambra State.

Prof Kabir Tahir Hamid

Department of Accounting, Bayero University, Kano, Kano State.

Prof. Ekoja B. Ekoja

Department of Accounting, University of Jos.

Prof. Clifford Ofurum

Department of Accounting, University of PortHarcourt, Rivers State.

Prof. Ahmad Bello Dogarawa

Department of Accounting, Ahmadu Bello University Zaria.

Prof. Yusuf. B. Rahman

Department of Accounting, Lagos State University, Lagos State.

Prof. Suleiman A. S. Aruwa

Department of Accounting, Nasarawa State University, Keffi, Nasarawa State.

Prof. Muhammad Junaidu Kurawa

Department of Accounting, Bayero University Kano, Kano State.

Prof. Muhammad Habibu Sabari

Department of Accounting, Ahmadu Bello University, Zaria.

Prof. Okpanachi Joshua

Department of Accounting and Management, Nigerian Defence Academy, Kaduna.

Prof. Hassan Ibrahim

Department of Accounting, IBB University, Lapai, Niger State.

Prof. Ifeoma Mary Okwo

Department of Accounting, Enugu State University of Science and Technology, Enugu State.

Prof. Aminu Isah

Department of Accounting, Bayero University, Kano, Kano State.

Prof. Ahmadu Bello

Department of Accounting, Ahmadu Bello University, Zaria.

Prof. Musa Yelwa Abubakar

Department of Accounting, Usmanu Danfodiyo University, Sokoto State.

Prof. Salisu Abubakar

Department of Accounting, Ahmadu Bello University Zaria, Kaduna State.

Prof. Sunusi Sa'ad Ahmad

Department of Accounting, Federal University Dutse, Jigawa State.

Prof. Isaq Alhaji Samaila

Department of Accounting, Bayero University, Kano State.

Dr. Fatima Alfa

Department of Accounting, University of Maiduguri, Borno State.

Dr. Nasiru A. Ka'oje

Department of Accounting, Usmanu Danfodiyo University Sokoto State.

Dr. Aminu Abdullahi

Department of Accounting, Usmanu Danfodiyo University Sokoto, State.

Dr. OnipeAdebenege Yahaya

Department of Accounting, Nigerian Defence Academy, Kaduna State.

Dr. Saidu Adamu

Department of Accounting, Federal University of Kashere, Gombe State.

Dr. Nasiru Yunusa

Department of Accounting, Ahmadu Bello University Zaria.

Dr. Aisha Nuhu Muhammad

Department of Accounting, Ahmadu Bello University Zaria.

Dr. Lawal Muhammad

Department of Accounting, Ahmadu Bello University Zaria.

Dr. Farouk Adeza

School of Business and Entrepreneurship, American University of Nigeria, Yola.

Dr. Bashir Umar Farouk

Department of Economics, Federal University Gusau, Zamfara State.

Dr Emmanuel Omokhuale

Department of Mathematics, Federal University Gusau, Zamfara. State

ADVISORY BOARD MEMBERS

Prof. Kabiru Isah Dandago, Bayero University Kano, Kano State.

Prof A M Bashir, Usmanu Danfodiyo University Sokoto, Sokoto State.

Prof. Muhammad Tanko, Kaduna State University, Kaduna.

Prof. Bayero A M Sabir, Usmanu Danfodiyo University Sokoto, Sokoto State.

Prof. Aliyu Sulaiman Kantudu, Bayero University Kano, Kano State.

Editorial Secretary

Yazid Kabir Ibrahim

Department of Accounting and Finance, Federal University Gusau, Zamfara State.

CALL FOR PAPERS

The editorial board of Gusau Journal of Accounting and Finance (GUJAF) is hereby inviting authors to submit their unpublished manuscript for publication. The journal is published in two issues of April and October annually. GUJAF is a double-blind peer reviewed journal published by the Department of Accounting and Finance, Faculty of Management and Social Sciences, Federal University Gusau, Zamfara State Nigeria. The Journal accepts papers in all areas of Accounting and Finance for publication which include: Accounting Standards, Accounting Information System, Financial Reporting, Earnings Management, , Auditing and Investigation, Auditing and Standards, Public Sector Accounting and Auditing, Taxation and Revenue Administration, Corporate Governance Issues, Corporate Social Responsibility, Sustainability and Environmental Reporting Issue, Information and Communication Technology Issues, Bankruptcy Prediction, Corporate Finance, Personal Finance, Merger and Acquisitions, Capital Structure, Working Capital Management, Enterprises Risk Management, Entrepreneurship, International Business Accounting and Finance, Banking Crises, Bank's Profitability, Risk and Insurance Issue, Islamic Finance, Conventional and Islamic Banks and so forth.

GUIDELINES FOR SUBMISSION AND MANUSCRIPT FORMAT

The submission language is English and must be a well-researched original manuscript that has not previously been submitted elsewhere for publication. The paper should not exceed more than 15 pages on A4 type paper in MS-word format, 1.5-line spacing, 12 Font size in Times new roman. Manuscript should be tested for plagiarism before submission, as the maximum similarity index acceptable by GUJAF is 25 percent. Furthermore, the length of a complete article should not exceed 5000 words including an abstract of not more than 250 words with a minimum of four key words immediately after the abstract. All references including in text citation and reference list, tables and figures should be in line with APA 7th Edition publication manual. Finally, manuscript should be send to our email address elfarouk105@gmail.com and a copy to our website on journals.gujaf.com.ng

PUBLICATION PROCEDURE

After receiving a manuscript that is within the similarity index threshold, a confirmation email will be send together with a request to pay a review proceeding fee. At this point, the editorial board will take a decision on accepting, rejecting or making a resubmission of the manuscript based on the outcome of the double-blind peer review. Those authors whose manuscript were accepted for publication will be asked to pay a publication fee, after effecting all suggested corrections and changes made on the manuscript. All corrected papers returned within the specified time frame will be published in that issue.

PAYMENT DETAILS

Bank: FCMB

Account Number: 7278465011

Account Name: Gusau Journal of Accounting and Finance

FOR INQUIRY

The Head,

Department of Accounting and Finance,
Federal University Gusau, Zamfara State.

elfarouk105@gmail.com

+2348069393824

FOR MORE INFORMATION, CONTACT

The Editor-in-Chief on +2348067766435

The Associate Editor on +2348036057525

OR visit our website on www.gujaf.com.ng or journals.gujaf.com.ng

CONTENTS

Impact of Audit Quality on Earnings Management of Consumer Goods Firms in Nigeria

Sirajo Bappah, Auwal Saad, Shehu Usman Hassan PhD, Saidu Adamu PhD

Board Characteristics and Corporate Social Responsibility of Listed Oil and Gas Companies in Nigerian.

Aliyu Abubakar, Yunusa Nasiru PhD, Dr. Umar Abubakar

Board Characteristics and Audit Quality of Listed Consumer Goods Firms in Nigeria

Aliyu Shehu Usman, Danson Andrew, Abdullahi Bala Ado PhD,

CEO Characteristics and Financial Reporting Quality in Listed Consumer Goods Companies in Nigeria

Okika Nkiru Philomena, Oyeneye Temitope Esther, Adedeji Daniel Gbadebo

Liquidity Risk and Financial Performance of Listed Deposit Money Banks in Nigeria

Bashir Abdulrauf Mohammed, Aliyu Ahmed Abdullah PhD, Prof. Salisu Mamman Ibrahim Yusuf PhD, Suleiman Salami PhD

Information Asymmetry and Cost of Capital: A Review of Empirical Evidence

Sunusi Ridwan Ayagi PhD, ACA, Rashida Lawal, PhD

Ownership Structure and Female Inclusion of Listed Financial Firms in Nigeria

Gbemigun Catherine Omoleye, Alade Muyiwa Ezekiel Phd

CSR Initiatives and Sustainability Resilience in Nigeria's Oil and Gas Industry: A PLS-SEM Approach from Local Communities' Perspective

Tajudeen Alaburo, Rofiat Bolanle, Abdussalam, Abdulrahman Abubakar, Tajudeen, Akeem Olamilekan Babatunde

Capital Structure and the Financial Performance of Listed Information and Communications Technology Firms in Nigeria

Nasiru Adamu Kanoma, Nurudeen Usman Miko, Augustine Ayuba, Idris Mohammed, Mark G, Tagwai

Profitability and Turnover Appraisal of Listed Deposit Money Banks in Nigeria
Odogu, Terry Keme Zuode (PhD) and Koroye, Amapamo Stephen

Board Attributes and Timeliness of Financial Reports of Listed Non-Financial Firms in Nigeria
Rashida Lawal PhD and Prof. Kabir Hamid Tahir

Board Independence and Financial Reporting Quality of Listed Oil and Gas Companies in Nigeria: Moderated by Firm Size
Adamu Lawal Bello, Prof. J. Okpanachi, Prof. T. Nyor and Lateef Olumude Mustapha (Ph.D)

Does ESG Investment Impact the Financial Sustainability of Nigerian Energy Companies: A Panel Regression Approach?
Tajudeen Alaburo, Abdulsalam and Adedeji Daniel Gbadebo

Board Attributes and Sustainability Reporting of Listed Firms in Nigeria
Idris Mohammed, Benjamin K, Gugong PhD, Rofiat Adedokun, Abdulrahman A, Olorunloga and Mark, G, Tagwai

Mediating Effect of Internal Auditors' Ethical Conduct on The Relationship Between Usage of Information Technology, Management Support for Internal Audit Department, and Internal Audit Effectiveness: A Conceptual Framework
Nura Badamasi, Adura Binti Ahmad

**LIQUIDITY RISK AND FINANCIAL PERFORMANCE OF LISTED
DEPOSIT MONEY BANKS IN NIGERIA**

Bashir Abdulrauf Mohammed

Department of Accounting
ABU Business School,
Ahmadu Bello University, Zaria
+2348069317137, araufbashir@gmail.com

Aliyu Ahmed Abdullah PhD

Department of Accounting
ABU Business School
Ahmadu Bello University, Zaria
+2348068637232, aaahmed@abu.edu.ng

Ibrahim Yusuf PhD

Department of Accounting
ABU Business School
Ahmadu Bello University, Zaria
+2348036023501

Suleiman Salami PhD

Department of Accounting
ABU Business School
Ahmadu Bello University, Zaria,
+2348127247501

Prof. Salisu Mamman

Department of Accounting
ABU Business School,
Ahmadu Bello University, Zaria
+2348030680907

Abstract

This study examines the effect of liquidity risk on financial performance of listed deposit money banks in Nigeria. The correlation research design was adopted based on positivist approach. Secondary data were extracted from twelve listed deposit money banks in the Nigerian Exchange Group (NEGX) from (2013 -2022) and analyzed using multiple regression technique. The study was

under pin by risk management theory. The result of the Generalized Least Square Regression model showed that current risk has positive association with financial performance at 5% level of significant while cash reserve risk has a negative significant effect on financial performance of listed deposit money banks in Nigeria significant at 1%. In line with the findings, the study recommends among others; the management of the banks should recheck the need for recapitalization as doing this will enhance the capability of the banks in financing large transactions and resolving mismatching challenges as owners fund will be available for long term financing. The study also recommended that, the management of the banks should ensure compliance by keeping required amount in liquid as directed by central bank of Nigeria, as doing this will enable the banks to meet possible unexpected cash withdrawal, immature term deposit liquidation and other payable on demand which will enhance their performance. The banks' management should always ensure compliance on regulatory directives particularly on cash reserve as doing this will reduce the possible loss and improve on their performance.

Keywords: Cash reserve risk, current risk, financing gap risk, financial performance and firm size

1. Introduction

Financial performance is one of the key determinants for business continuity, survival and grow (Daniel, 2017). The globalization, intense competition and exposure to risk are increasing and financial performance becoming important, in determining the business success being one of its primary objectives (Ironke&Osaat, 2019). Performance remains essential way for measuring financial fitness, sustainability, grows and development of a business, as well as its outcome and result of efforts and commitment achieved within financial period (Ibrahim et al, 2020). Business continuity has been a serious challenge to many entities around the globe, this issues as prompted many scholars like Olga et al, (2019), Omar and Kiran, (2017), Akenga, (2015), Ali et al,(2019) and Sinkus, (2015) have investigate the root most especially in the banking sector. The issue of financial crises has become a concerning element to the regulatory bodies, customers, government and owners (Umobong, 2015), (Muhammad & Mazhar, 2015),(Kartal, 2016), (Sokol et al, 2017),(Chembe& Jing, 2018), (Adegbie& Dada, 2018),(Khadwal, 2019),Perera & Perera, (2020).

In Nigeria for instance, after recapitalizations policy of 2005, about ten (10) listed deposit money banks have seized to exist through different forms of seizure this include Afribank, Intercontinental Bank, Oceanic Bank, Bank Phb, Bank of the North, Sky Bank, Standard Chartered Bank, Platinum Bank and First Inland bank, this has made the Deposit Money Banks (DMBs) to be area that required timely attention as the number incessantly reducing due to challenges and failure to provide effective and efficient intermediating role in the economy that will enhance their financial performance (Ugwu et al, 2020). The poor financial performance has

forced some to merge, consolidate, acquired by others or even wind up as in the case of Afribank, Mainstreet bank, Diamond bank, Bank Phb, Oceanic bank and others (Umobong, 2015).

Therefore, financial performance (FP) being a measure of how good a bank can use its asset from principal means of business to make income. The health and business continuity, growth and sustainability depend on the ability of financial institutions' revenue to exceed cost which may be referred as good financial performance. Meanwhile, the study of financial performance is of paramount important as the numbers of listed deposit money banks are dipping on persist due to some factors that deter the performance, thus the need to identify and evaluate the causative factors and act upon them is necessary so that the survival, continuity, grow and development of business entities will be guarantee (Chembe& Jing, 2018)

According to the Financial Sector Stability Report, (2018), many financial institutions failed liquidity stress test. Also in the early 2022, Central Bank of Nigeria wielded a big stick and debited Zenith bank Plc, FCMB limited and other 12 banks 356.1 billion Naira for failing to meet their 27.5 per cent cash reserve requirement obligation, this indicates that, the level of liquidity accessibility of the affected banks will be reduced by the amount being debited against them, as it will affect their loan mobilizations capacity as well as financial performance. Therefore, failure to meet regulatory requirement may be seen as signal for the need to study liquidity risk of these banks in other to avoid further reduction in their numbers and safe guard the new ones that may come up through a reliable guidelines, policy and principle (Adegbe& Dada, 2018).

The aforementioned issues have made financial performance to attract many researchers' attention in the various research institutions and field of learning ranging from accounting, finance, economics and management (Kartal, 2016). Bank financial performance is essential for economy development and stability; as it goes beyond individual bank performance. According to the Coronation Research Daily Insights (CRSI) in December 2022, Nigerian banking industry net liquidity average position declined by 23.3 per cent as it was reduced from 190.62 billion Naira in July 2021 to 146.15 billion Naira in June, 2022.

Determining the point of optimum liquidity might not be clear to many banks or financial institutions. In addition, they assert that the best possible position of liquidity risk cannot be determined by any specific guide that a business may

preserve to ensure positive impact on its financial performance, (Kaur &Skilky, 2013). Capacity to generate more deposit and possibly loan mobilizations are very important in determining financing gap risk, current risk, cash reserve risk of the banks as all could affect financial performance (Olga et al, 2019).

Financing gap risk is one of the measures of liquidity risk of an entity as pronounced by Basel committee on Bank supervision (2013). It measures the risk that arises as a result of possible variance between loan and deposit of bank to their total assets. This means that, it revealed the extent of the intermediary functions of the bank in the economy; the high and positive value implies that, the bank is good in mobilising loans and the high the risk and possibly, the financial performance of the entity, as more loans signifies high risk. While high and negative value may entails inability of the bank to mobilise as many as possible loan as vast amount of deposit received are kept in the bank or in the reserves which may directly or indirectly affect the performance of the banks, as some of the cash available may be kept idle, without generating any return.

Generally, mismatch in financing also contribute seriously among the factors that affect the financial performance, where long term project and investment are being financed with short term loan thus increase the number of non-performing loan, also giving out huge amount of loan to family and friends without considering the due process, depreciation in the value of Naira from \$1 as against ₦100 in the past years to \$1 against ₦489 in 2022 without any amendment to 2005 recapitalization of banks and no room created for inflation reserves, introduction of treasury single account (TSA) could also be considered as important factor. Knowing the financing gap risk and determining the money that will be invested and those that will be kept to face daily withdrawal from customers is therefore of paramount important to the banks (Ibrahim et al, 2020). Current risk is derived from possibility that, the current assets of an entity would not be able to settle its current liabilities when the need arises which may directly or indirectly affect their financial performance.

Current risk also has direct effect on the performance of financial institute, this is because, liquidity in term of current asset is made up (cash, debtors, short term loan, commercial paper and other short-term receivable) and liabilities made up of (demand deposit, term deposit and other payable) which are used and manage in achieving their primary objective. This signifies that the banking activities are largely run on this basis by balancing off between the class of excess (depositors) and that of deficit (loan demanding), Usman et al, (2016). Current risk entails

capability to meet likely cash withdrawal from all forms of deposit and other payable through current liquid cash and other receivable without suffering any additional loss (Omar & Kiran, 2017).

Bank current risk can also be viewed as risk that attached to excess or shortage of cash and its equivalent over the aggregate liabilities of the firm, it measures the risk attributed to failure to trade-off between the current asset and current liabilities and their effect on the financial performance (Muhammad & Mazhar, 2015). The failure of some banks to comply with Central Bank of Nigeria (CBN) cash reserves requirement has paved way for cash reserve risk as about 356.1 billion was debited against 14 banks in early 2022 (Coronation research insight 30th March, 2022).

Cash reserve risk, is a possible risk that may be attached to noncompliance with the legal requirement or regulatory body CBN in particular, the central bank has now increase the cash reserve ratio from 22.5 per cent of total deposit to 27.5 per cent 2019 and 32.5 per cent in late 2022, of which some banks failed to comply. The cash reserve has currently been used as penalty to those banks who fail to abide by new reserves requirement and agreement on the purpose of new LDR policy that result in the change of the said LDR from 60 per cent to 65 per cent in order to mobilize the real sectors with loan.

Generally, over ₦462.7bn was debited against 22 commercial banks in October, 2020 and credited into their cash reserve for failure to comply, this could have an impact on their loan mobilization capacity and as well reduce their performance. This means that, cash reserve risk has direct impact on the performance of listed DMBs, as high ratio reveals high liquid in reserve that are not accessible by bank for transaction at that period of time while low entails availability of cash to finance large transaction with expected possible return which will also affect financial performance. Liquidity risk is usually used for measuring the effect of liquidity gap and liquidity position of an organizations and its impact their performance.

It is on the bases of this background that this study seeks to examine the effect of liquidity risk on financial performance of listed deposit money banks in Nigeria. The main objective of the study is to assess the effect of liquidity risk on the financial performance of listed deposit money banks. Hence, the following hypotheses were formulated in null form.

H₀₁: Financing gap risk has no significant effect on the financial performance of the listed deposit money banks in Nigeria

H₀₂: Current risk has no significant effect on the financial performance of the listed deposit money banks in Nigeria

H₀₃: Cash reserve risk has no significant effect on the financial performance of the listed deposit money banks in Nigeria.

2. Review of Empirical Studies

Financing Gap Risk and Financial Performance

Financing gap risk is a type of liquidity risk that measure a firm risk in term of differences between loan mobilization and deposit received from the customer and relate to the total asset of the firm. It determines how much loan can be created from deposits and how much profit can be generated therein (Perera & Perera, 2020). The positive difference entails high loan mobilization which means the bank can mobilize higher than what it received from the depositors as inclusively in the loan owner's capital or other source of fund other than the demand deposit which seems to be sign of solvency to the bank with this setup. While the negative entails idle cash in the bank, which may include the reserves requirement and some that meant for day-to-day withdrawal from saving, current and possibly unexpected term deposit liquidation. However, trade-off between cash availabilities and customer withdrawal and possible new loan request could be of paramount importance, Sokol et al, (2017). Cash optimality increase customer confidence and enhance patronage which at both short and long run will improve financial performance of the bank.

Tram et al, (2022) studied the liquidity risk and bank performance in South Asian countries; a dynamic panel approach, for the period of 2004 to 2016 with population of 171 banks from 9 countries, using generalized method of moment. Trade off theory was used to under pin the research work. Liquidity risk was measured by financing gap, net loan to total asset, net loan to total deposit and short-term fund, while performance was measured by return on asset, net interest margin and return on equity with control variable of size, bank capital, loan loss provision, gross domestic grow, money supply and inflation. The objective was to examine the impact of liquidity risk on performance. The data were secondary sourced from two bank level; from bank data base and secondly from macro information data (Asian development bank) and analysed using ex-post factor, correlation research design and panel multiple linear regressions. It was discovered that, liquidity risk has positive significant effect on financial performance. However, the study was conducted in Southeast Asian and did not measure the riskiness of the variables,

while this current study was conducted in Nigeria and it considered the riskiness of the variable as captured on the topic.

Perera and Perera (2020), examine the liquidity risk and financial performance of banks and finance companies in Sri Lanka, for the period of 2011 to 2019, with sample of 30 companies: 12 commercial banks, 3 specialized banks and 15 finance companies and data were sourced secondarily. Independent variable liquidity risk was measured by liquidity gap, deposit to total assets, cash reserve to total asset and non-performing loan while dependent variable financial performance was measured by return on asset, return on equity and net profit margin. It was discovered that, liquidity risk has significant impact on financial performance of banks. However, the research lacks theoretical back up and the riskiness of the variables were not considered, while the current research captured the riskiness of chosen variables and backing with relevant theory.

In contrast, Tijani and Tharwa (2022) studied the effect of liquidity risk on performance: A comparative study of Islamic and conventional bank in the Middle East and North Africa region for the period of 2016 to 2018. The objective was to examine the impact of liquidity risk on the performance of both Islamic and conventional banks in the Middle East and North African region. Liquidity risk was measured by capital adequacy ratio (CAR), liquidity gap, and bank size while dependent variable was measured by ROA. Grow rate, inflations and domestic product are used as macro-economic variables and regression were used to analyze the research work. It was discovered that, liquidity gap has no any positive significant impact on the performance of banks. However, there was no theoretical back up for this research.

Current Risk and Financial Performance

Current risk measures a firm capability to meet its short-term obligation or dues within a financial period. It communicates to investor and analysts on the risk attached to a corporate organization or when firm fail to maximize the current assets on its balance sheet to satisfy its current debt and other payable, (Omar & Kiran,2017). It is measure by finding the mean deviation of current asset to current liability. The ability of bank to effectively trade-off between current asset and current liabilities will possibly be revealed by the investors and analyst and at the short run will create a confidence and motivation in customer which will further enhance patronage and publicity to potential ones Hongli et al, (2019).

Hongli et al, (2019), examine the effect of liquidity and financial leverage on firm performance of listed manufacturing firms in Ghana for the period 2007 to 2015. The aim was to examine the effect of liquidity and financial leverage on manufacturing companies in Ghana covering six different sectors, with sample size of 22 firms. Data were sourced from audited annual report and analyzed using descriptive, correlation and fixed effect regression. The liquidity was represented by current ratio while performance was measured by ROE and ROA. It was discovered that, CR has positive significant impact on ROE and insignificant to ROA. However, the study was conducted in Ghana, covering the period of 2007 to 2015, while the current study is conducted in Nigeria, covering the period of 2013 to 2022.

Ali et al, (2019), examine liquidity, growth and profitability of non-financial public listed firms in Malaysia for the period of 2011 to 2015 with sample of 50 firms. Data were sourced from annual report and analyze using descriptive and panel regression. Liquidity was measured by CR and quick ratio, while profitability was measured by ROA and return on equity (ROE). It was discovered that, CR has positive significant impact on ROA. However, there was no backing theory and research was made in non-financial institution while the current research work was conducted in banking sector and support with relevant theory.

In contrast, Nabeel and Hussain (2017) study the effect of liquidity management on performance of banks in Pakistan covering 2006 to 2015. Data were sourced from audited annual report of ten banks, correlation, description and regression were used to analyse the data. Performance is dependent variable measured by ROA, ROE and earnings per share (EPS) while independent variable liquidity was measured by quick ratio (QR), CR, CHSR, interest coverage (ICR) and capital adequacy ratio (CAR). It was discovered that, CR has negative impact on performance. However, the period of study ends in 2016 while the current study ends in 2022.

Cash Reserve Risk and Financial Performance

Cash reserve risk is the risk of tempering with the portion of reserve liabilities that commercial banks must hold onto, rather than lend out or invest. In other words, is the risk possibly attached with tempering or noncompliance with the monetary and credit control technique imposed by the Central Bank of a country on commercial banks, for not keeping a specified percentage from their total deposit received as mandated as being a statutory reserve need to be kept with central bank by all

commercial banks, and therefore is an instrument used by Central bank of any country to control the liquidity in the system (Khadwal, 2019).

Chimkono et al, (2018), study the effect of non-performing loans and other factors on performance of commercial Banks in Malawi covering 2008 to 2014. The objective is to investigate the effect of nonperforming loans and other factors on the performance of Banks in Malawi. Data were sourced secondarily and analyze using correlation technique and regression analysis. It was discovered that, there is positive association between cash reserve ratio and FP of banks in Malawi but not significant. However, the research was conducted in Malawi, while the current research is conducted in Nigeria.

In contrast, Samreen and Samreen (2015) examine the impact of CRR on FP of commercial banks in Pakistan covering (2005-2014) ten years (10) using correlation analysis, data were sourced secondarily. It was found that, there was inverse relationship between CRR and the performance of the banks. Nagi and Chandraiah (2015) examine the impact of Banking sector reforms on cash reserve ratio (CRR) and statutory liquidity reserve (SLR) in Indian banking sector, it was found that, there was negative relationship between the banking sector reforms and CRR in Indian. However, the period of study ends in 2014 while the current research ends in 2022.

Oganda et al, (2018) study the effect of cash reserve on performance of commercial Banks in Kenya covering 2007 to 2016. The objective was to examine the effect of cash reserve on performance of commercial Banks in Kenya. Data were collected from audited annual report of two banks. They discovered a negative association between CRR and performance as represented by ROA, ROE and net interest margin (NIM)). However, the sample of two banks is too small and no backing theory, while the current research is 12 banks, backing with relevant theory.

Numbers of theories have been used in deducing the relationships between liquidity risk and financial performance. This study is hinged on Risk Management Theory. This theory was first proposed by Daniel (1738) as a result of decision-making process where people have to pay more attention to the size of the effects of different outcome. The theory was popularized by Robert (1967) with the idea of resolving the issues that relates to business environmental risk. The theory explains that, risk management is carried out by the board of directors, management team and other personnel of the company. The risk management is designed to pinpoint

series of company activities and the risk therein, so that decision on risk and return attached can be calculated and weight. Generally, the risk management is being challenged by two common factors; the first one could be traced to the conflicting interest between the manager in charge and the owner's interest which is generally known as behavioral biases, while the second one could be traced to informational gap, as there is no full information which is key to every decision-making process. And therefore, the high-risk taking entity is expected to generate high return while low risk-taking company is expected to generate low return.

The theory suggested that, adherence to internal and external forces would reduce risk, particularly, mismatching in financing and inability to finance large transaction which create room for financing gap risk, failure to meet all due obligations led to current risk, noncompliance to cash reserve requirement have created rooms for cash reserve risk which could affect the performance, therefore, the more the firms managed these risks the better will their performance be, as no business exist in vacuum.

3. Methodology and models

The study employs ex-post-facto research design; this is in view of its relative importance to the actualization of the research aim and objective which is to assess the effect of liquidity risk on financial performance of listed DMBs in Nigeria. The data for the study was attained from the published annual reports and accounts of the banks under study, covering 2013 to 2022, with population of 14 banks and sample of 12 banks. The relationship between liquidity risk being the independent variable and financial performance the dependent variable were examined specifically in terms of financing gap risk, current risk and cash reserve risk using positivism approach, panel data and regression analysis because the study is quantitative in nature. The model used to test the hypotheses of the study is specified as follows:

$$ROA_{it} = \beta_0 + \beta_1 FGR_{it} + \beta_2 CR_{it} + \beta_3 CRR_{it} + FSIZE_{it} + e_{it}$$

Where:

FP = Financial performance,

FGR = Financing gap risk

CR = Current risk

CRR = Cash reserve risk

FSIZE = Firm size

β_0 = Intercept and e is error term, and β_{1-7} Coefficients of the independent variables

The review: Study Variables and their Measurement

Variable Acronym	Variable Name	A priori expectation	Measurement	Source
FP	Financial performance		profit after tax divided by total asset	Usman, Hassan & Dabo, (2016) and Adam & Hussein, (2015)
FGR	Financing gap risk	+ or -	Different between total loan and total deposit divide by total asset of the firm minus the industry's average means divided by standard deviation of all firms in the same industry.	Samuel, (2013) and Tram et al (2022) – adapted.
CR	Current risk	+ or -	Current ratio of the firm minus the industry's average means divided by standard deviation of all firms in the same industry.	Muhammad and Mazhar (2015)) and Ofeimu and Okeke (2019) – adapted.
CRR	Cash reserve risk	-	Cash reserve ratio by firm minus the industry's average means divided by standard deviation of all firms in the same industry.	Perera & Perera, (2020) and Daniel (2017) – adapted.
FSIZE	Firm size	+ or -	log of total asset	Yusuf & Maryam, (2015) and Usman, Hassan & Dabo, (2016).

Source: Stata Output, 2023

4. Results and Discussions

The descriptive statistics of the database shows in the tabular form; mean, minimum, maximum and standard deviation of each of the variable

Table 2: Descriptive Statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
ROA	120	-.000	.000	-.001	.000
FGR	120	-.000	.000	-.002	-.000
CR	120	.000	.000	-.000	.001
CRR	120	-.000	.000	-.000	.000
FSIZE	120	7.678	1.411	5.390	9.880

Source: STATA Output, 2023

The descriptive statistics of financial performance evaluated by return on asset (ROA) shows an average of ~~₦~~0.000 in Table 2. The ROA measures the company efficiency and effectiveness in term of total asset utilization under its disposal by investing into positively net income. The lowest and highest ROA values are -~~₦~~0.001 and ~~₦~~0.000 respectively. This implies that, must profitable deposit money banks make ~~₦~~0.000 net revenue on a single ₦1 of total asset, while the deposit money banks lowest were about ~~₦~~0.001 loss on each ₦1 of total asset investment. The standard deviation of ROA of ~~₦~~0.000 indicates that, there is a wide variation of earnings across the selected deposit money banks as the average value of -~~₦~~0.000 is very far from the standard deviation of ~~₦~~0.000.

With the respect to financing gap risk, the mean is -0.000 indicating a very high-risk exposure of banks on financing gap, is at high level among the selected sample banks as the higher risk ratio indicate high level of financing gap which may implies too much cash in the bank that are kept idle, while low financing gap risk entails high level of loan mobilization which will enhance a high return if the said loans are performing ones. The minimum and maximum values are -0.002 and -0.000 respectively, signifying that, some deposit money banks have a very high financing gap risk exposure as well as loan mobilizations due to high negative variance from the mean, while none of the banks lent out as much as what they received as deposit from customers, this indicate that, owners capital in loan mobilization is very minimal. The mean of -0.000 shows a very wide variation from standard deviation of 0.000, indicating that, there is high risk exposure of the financing gap risk among the selected banks.

The average value for current risk across the selected sample bank as shown on the Table 2 above is 0.000 indicating the average current risk exposure, which seems to be very low, however, the standard deviation of 0.000 showing a very low dispersion as the value too close from cluster and around the mean. The minimum and maximum values are 0.000 and 0.001 respectively. The minimum can be traced to high exposure to current risk and inability of some banks to possibly meet their obligations when need arises, while the maximum value entails that, some banks are highly liquid and can absorb their obligation in term payment and possibly new loan requirement.

Furthermore, the average value of cash reserve risk of the selected sample banks is -0.000 showing an average of cash reserve risk exposure of the banks, which entails moderate with high level of compliance with the CBN cash reserves requirement and standard deviation of 0.000 which shows a very high dispersion as the deviation moves far from the mean. The minimum and maximum -0.00064 and 0.000 respectively, indicate that, the minimum risk exposure in respect of cash reserve risk of selected sample banks is -0.000 as per banks that abide by reserved requirement as directed by CBN. While maximum cash reserve risk of 0.000 will be attributed to new policy and changes in reserve requirement Vis a Vis possible penalty that may be accrued to default banks.

Generally, the firm size was measure by the log of total assets of each individual bank. The average mean of selected sample banks size is ₦7.678 trillion worth assets which is a very good average capital base particularly if at least large percent are in liquid form considering the nature of the business, the standard deviation ₦1.411 which shows a very wide dispersion from the cluster when compared to its mean indicating a very wide capital base among the sample banks. The minimum and maximum values of firm size are ₦5.390 and ₦9.880 respectively; this could be attributed to the bank with low and high capital base in term of total assets.

Table 3 Correlation Analysis

	ROA	FGR	CR	CRR	FSIZE
ROA	1.000				
FGR	-0.134	1.000			
CR	0.026	-0.064	1.000		
CRR	-0.023	-0.180	-0.039	1.000	
FSIZE	-0.148	0.287	-0.172	0.082	1.000

Source: STATA Output, 2023

Table 3 present correlation value between dependent and independent variables and correlation values among the independent variables themselves. These values are generated from the Pearson Correlation output. The table indicates that independent variable; CR has a positive relationship with dependent variable ROA with co efficient of 0.026. This deduces that variables walk in the same direction with the possibility of improving the financial performance of the banks. On the other hand, FGR, CRR and control variable FSIZE have a negative association with the dependent variables ROA with co efficient of -0.134, -0.023 and -0.148 respectively, this could be as a result of mismatch and over concentrations of non-current asset in total asset composition, which does not generate income to the banks instead of current asset that can be mobilize for loan to generate more returns.

In addition, with the regards to association among the explanatory variables themselves, FGR has inversely association with CR and CRR with coefficient of -0.064 and -0.180 respectively and positively related with control variable Fsize with coefficient of 0.287. While CR has a negative association with CRR and Fsize with same coefficients of -0.0385 and -0.172 respectively, while CRR has a positive association with Fsize with coefficient of 0.0815.

Lastly, according to the Gujarati, (2004), in a situation where the relationship among the independent variable is up to 0.80, measure must be taken to avoid multicollinearity. And going by the coefficients' association from the table and the analysis, there is no existence of multicollinearity as such the variables under study are feet, therefore no multicollinearity exist among the variables under the study.

Table 4: Regression Result

ROA	Coef	Std. Err	z	p > z	[95% Conf. Interval]	
FGR	-.031	.025	1.250	0.211	-0.079	0.169
CR	.777	.310	2.510	0.012	0.169	1.384
CRR	-.120	.029	-4.090	0.000	-0.177	-0.062
FSIZE	-.000	.000	-2.820	0.005	-0.000	-0.000
Cons	-.000	.000	-2.350	0.019	-0.000	-0.000
R-sq:	0.092				Wald Chi2(4): 54.800	
No. of Obs	120				Prob. > chi2: 0.000	

Source: STATA Output, 2023

The result of table 4 shows the result obtained from Generalized Least Square (GLS) regression which was interpreted after conducting all relevant tests. In view that, the database is panel in nature, the researcher run both fixed and random effects model. Hausman specification test was conducted to enable selection of best model for the analysis. The result was insignificant and therefore random effect is the most appropriate for the database. However, the study employed GLS, this is because of presence of heteroskedasticity thus making random effect model inappropriate as parameter could be biased (Wooldridge, 2002).

The table 4 further reveals a R^2 value of 0.092. The R^2 which represent the coefficient of multiple determination implies that, 9.2% of the total variation in the dependent variable (ROA) of listed deposit money banks in Nigeria is jointly explained by the explanatory variables (financing gap risk, current risk, cash reserve risk and firm size) which is big enough for the research. Also, Wald Chi2 of 54.80 and the prob.>0.000 signifies the fitness of the model for the relationship between the explanatory and explained variables.

Financing Gap Risk and Financial Performance

The result of Table 4 reports shows a negative relationship between financing gap risk and financial performance of listed deposit money banks in Nigeria insignificant (coefficient = -0.031, 10%) based on this result therefore, the result produced evidence of failing to reject the hypothesis one of the studies, and concluded that FGR has no significant impact on FP of listed deposit money banks in Nigeria. The present finding is consistence with the work of Sokol et al, (2017) and Tijani &Tharwa, (2022).

Current Risk and Financial Performance

The result of table reports shows a positive relationship between current risk and financial performance of listed deposit money banks in Nigeria significant (coefficient = 0.777, 5%) based on this result therefore, the result produced evidence of rejecting the hypothesis two of the studies, and concluded that CR has significant impact on FP of listed deposit money banks in Nigeria. The present finding is consistence with findings of risk management theory and the work of Muhammad & Mazhar, (2015), Omar & Kiran, (2017), Akenga, (2015), Ali et al, (2019) and Sinkus, (2015).

Cash Reserve Risk and Financial Performance

The Table 4 results shows a negative relationship between cash reserve risk and financial performance of listed deposit money banks in Nigeria significant (coefficient -0.120, 1%) based on this result therefore, the result produced of rejecting the hypothesis three of the studies and conclude that, CRR has significant impact of FP of listed DMBs in Nigeria. The present finding is consistence with risk management theory and the work Perera & Perera, (2020), Teminosiku et al, (2017) and Samreen & Samreen, (2015).

5. Conclusion and Recommendations

As per the result of this study, current risk has a significant positive effect on the financial performance of listed DMBs in Nigeria, the increase in the current risk will increase the financial performance, while increase in cash reserve risk will lead to decrease in financial performance of listed deposit money Banks in Nigeria. The findings are in line the work of Sokol et al, (2017), Tijani &Tharwa, (2022), Amaliah & Hassan, (2019), Khalid et al, (2019), Omar & Kiran, (2017), Mishra & Pradhan, (2019), Hongli et al, (2019) and Nabeel & Hussain, (2017).

In line with the findings, the study recommends among others; the management of the banks should recheck the need for recapitalization as doing this will enhance the capability of the banks in financing large transactions and resolving mismatching challenges as owners fund will be available for long term financing. The study also recommended that, the management of the banks should ensure compliance by keeping required amount in liquid as directed by central bank of Nigeria, as doing this will enable the banks to meet possible unexpected cash withdrawal, immature term deposit liquidation and other payable on demand which will enhance their performance. The banks' management should always ensure compliance on regulatory directives particularly on cash reserve as doing this will reduce the possible loss and improve on their performance.

References

- Abdullah, M. N.,& Jahan, N. (2014). The impact of liquidity on the profitability in banking sector of Bangladesh: a case of Chittagong stock exchange. *International journal of Economic andbusiness review*. 2(10): 17-22.
- Abdullah A.M.A., Nor, A.A.A., Siti N.Y. & Saleh A.H. (2022), The impact of liquidity risk management on financial performance through profitability in the UAE Islamic Banks, A review.*Journal of positive school of psychology*, 6(3),4636-4645.

- Abott, W. F. & Mosen, R. J. (1979). On the measurement of corporate social responsibility: Self-reported Disclosures as a Method of Measuring Corporate Social Involvement. *Academy of Management Journal*, 22(3), 501-515.
- Abilasha, N. & Madhu T. (2019). Impact of corporate social responsibilities on financial performance. *The journal of Economics and finance (IOSR-JEF)* e-ISSN:2278-478X, p-10 (2) (March - April 2019)-2319-5933 pp49-55. www.iosrjournals.org.
- Acter, A. & Mahmud, K. (2014). Liquidity-Profitability Relationship in Bangladesh Banking Industry. *International Journal of Empirical Finance*. 2(4): 143-151.
- Adam, Y. & Hussaini B. (2015). Working capital management and financial performance of deposit money Banks in Nigeria. *Journal of Books, Hostling –conference and workshop*, 6 (16).
- Adegbe, F.F, & Dada O.T. (2018). Risk assets management, liquidity management and sustainable performance in Nigeria deposit money Banks. *International journal of Accounting Research*. Do1.10.35248/2472-114x.18.6.178.
- Akenga, G. (2015); Effect of liquidity on financial performance of firms listed at the Nairobi, security exchange, Kenya. *International journal of science and research (IJSR)*, ISSN (online): 2319-7064.
- Ali M.M., Hussin N.N.Y. & Ghani E.K. (2019). Liquidity, growth and profitability of Non-financial public listed in Malaysia. *International Journal on financial research*, 10(3).
- Basel Committee on Banking Supervision, (2013), Regulatory Consistence Assessment Programme, Retrieved via: www.bis.org/bcbs
- Amaliah R.S& Hassan H.H (2019).The relationship between bank's credit risk, liquidity and capital adequacy toward its profitability in Indonesia. *International Journal of Recent Technology and Engineering (IJRTE)*. 7(55).
- Chimkono E.E., Muturi W. & Njeru A. (2016).Effect of non-performing loans and other factors on performance of commercial Banks in Malawi. *International Journal of Economics, Commerce and Management*. 4(2),2348-0386.
- Coronation Registrars Limited, (2022), Coronation Research Daily Insights, Retrieved via: info@coronationregistrars.com.
- Corporate Finance Institute (CFI), (2022). A complete evaluation of a company's overall standing in categories such as assets, liabilities, equity, expenses, revenue and overall

- profitability. Retrieved: <https://corporatefinanceinstitute.com/resources/knowledge/finance/financial-performance>.
- Daniel B. E (2018). Survival, growth, sustainability, liquidity management and performance of deposit money banks in Nigeria. *International Journal of Economics, Finance and Management Science*, 2.5(3):146-161, ISSN (online):2326-9561, ISSN (print):2326-9553.
- Daniel B.E (2017). Liquidity Management and Performance of deposit money banks in Nigeria (1986-2011): An investigation. *International Journal of Economics, Finance and Management Science*, ISSN: 2326-9553 (print), ISSN: 2326-9561 (online), 5930:146-161.
- Samreen F.A. & Samreen L. (2015). The impact of change in reserve requirement on banks' profitability. A case of banks in Pakistan. *European Journal of Business Management*, 17(31), 25-31..
- Hongli, J., Ajorsu, E.S. & Bakpa E.K. (2019). The effect of liquidity and financial leverage on firm performance: Evidence from manufacturing firms on the Ghana stock exchange. *Research journal of Finance of Accounting*, 10(8), 2222-1697, 2222-2847 (online).
- Ibe, S.O (2013). The effect of liquidity management on the profitability of banks in Nigeria. *Journal of Finance and Banks in Nigeria*, 1(1), 37-48.
- Ibrahim M.F, Terzungwe N. & Lateef O.M, (2020). Financial risk and financial performance of listed insurance companies in Nigeria. *European journal of Business and management*, ISSN 222-1905.5(3), 141-148.
- Ironkwe U.I & Osaat.A.S (2019). Risk Management and Financial Performance of Insurance Companies in Nigeria, *International journal of advanced research and accounting practice*, ISSN-2488-9849, Vol. 5(4), 18-46
- Kartal D. (2016). The effect of liquidity on financial performance: evidence from Turkish retail industry. *International journal of economics and finance*, 8(4), ISSN: 1916-971x, E-ISSN-1916-9728.
- Kaur, S. & Skilky, J. (2013). A study on liquidity and profitability of selected Indian cement companies, Modelling approach. *International journal of Economics, commerce and management*, 1(1), 35-40.
- Khalid S.M, Rashed Md & Hossain A. (2019). The impact of liquidity risk on banking performance: Evidence from the emerging market. *Global journal of management and business research*, 19 (1), 10.
- Mishra S. & Pradhan B.B. (2019). Impact of liquidity management on profitability an analysis of private sector banks in India. *Revista Espacios* ISSN 0798-1015, 2019

- Muhammad S.N& Mazhar A. (2015).An empirical study on impact of liquidity risk management on firm performance in the conventional banking of Pakistan.*IOSR Journal of business and management*, 17(2), ISSN: 2319-7668.
- Nabeel M. & Hussain M. (2017).Examination of the effect of liquidity management on profitability in the banking sector.*International journal of Business and management invention*. ISSN (online): 2319-8028, ISSN (print) 2319-801X,28-33.
- Ofori, M.D., Daniel, F., Richard S.D. &Nyuur, B. (2014). Corporate social responsibility and financial performance: Fact or fiction? *A look at Ghanaian banks, acta commercii*, 14(1), 141-18
- Oganda A.J., MogwamboV.A& Otieno S. (2018).Effect of cash reserves on performance of commercial Banks in Kenya.A comparative study between national bank and equity bank Kenya Ltd. *International Journal of Academic Research in Business and Social Science*. ISSN: 2222-6990.
- Okoro C.N &Nwakoby C.N (2016). Effect of liquidity management on performance of deposit money banks in Nigeria” *Journal of policy and development studies (JPDS)*, 10(3). ISSN: 157-9385.
- Olga G., Michel D. &Ripsa K. (2019). The impact of liquidity risk on Bank profitability” Some empirical evidence from the European banks following introduction of Basel 3 regulations. *Journal of accounting and management information system*. 18(4), 445-485.
- Omar M. & Kiran J. (2017). Liquidity risk management and financial performance of Islamic banks, empirical evidence from global Islamic banks. *Journal of Islamic financial studies*, ISSN: 2469-259x, 3(2).
- Peter, G.T. & Bagshaw, K.B. (2014).Corporate governance mechanism and financial performance of listed firms in Nigeria.A content analysis.*Global journal of contemporary Research in accounting , Auditing and Business ethics*.1(2), 103-128.
- Perera H.G.S& Perera K.H.(2020).Liquidity risk and financial performance of banking and financial companies in Sri Lanka.*6Th International conference on Risk*.
- Poddi, L. &Vergalli S. (2009). Does corporate social responsibility affect performance of firm? *Fondazione Enri enricomattei*, 52(09), Mailand.
- Qiu, Y. (2012). Empirical study between CSR and financial performance of Chinese listed companies. *School of Business and Information*, 1-57.

- Rais, S. &Goedegebuure (2009). Corporate social performance and financial performance.*The case of Indonesian firms in the manufacturing industry*, 7(1).
- Raygani P. (2017). Measuring liquidity risk in a banking management framework.*ELK Asia Pacific Journal of Finance and Risk Management*, 8(2).Retrieved- www.elkjournals.com.
- Regina, S. (2010).The impact of corporate social responsibility on corporate financial performance.Metaanalysis.*ASAC Journal*.
- RifqahA.S&Hafinaz H.H. (2019).The relationship between banks credit risk liquidity and capital adequacy toward its profitability in Indonesia.*International journal of recent technology and engineering (IJRTE)*, 7(55), 2277-3878.
- Rizwan, A. K. &Mutakhar, A. (2016).Impact of liquidity on profitability of commercial Banks in Parkistan.An analysis on banking sector in Parkistan.*Global journal on management and business research*, 16(1), 0975-5853.
- Roni J., Martin S. & Teddy O. (2019). The effect of credit risk, operational risk and liquidity risk on financial performance of banks, listed in Indonesian stock exchange. *International journal of economics, commerce and management, united kingdom*, 7(5), 2348-235x.
- Saheed, A.M. (2018). Effect of Treasury Single Account (TSA) on Deposit Money banks Liquidity performance in Nigeria. *International journal of Family Business and management, ISSN-2577-7815 (Online)*.
- Salihu L.M (2018). Systematic review of literature on effect of liquidity on Bank.*Academy Accounting and Financial Studies Journal*, 22(4), 1-7.
- Samuel S. (2013). Liquidity risk and bank profitability in Ghana, *University of Ghana business School, legion, Mphil thesis*, retrieved via<http://ugspace.ug.edu.gh>
- Sinkus S. (2015). Impact of liquidity management on profitability performance of steel authority of Indian limited.*Journal of poverty investment and development. ISSN: 2422-846X, vol. 7*.
- Sokol N. Manjola I. & Joana S. (2017), Impact of liquidity risk management on the profitability of commercial bank in Albania. *International Journal of social science and education research, ISSN 2149-5939, 3(1), 70-76*.
- Tamunosiku K. BaribefeG.I&Obari O.B. (2017).Liquidity and performance of Nigerian banks.*Journal of accounting and financial management, ISSN 2504-8856, 3(1), 34-46*

- Thiago C.S., Marcos S.D& Benjamin M.T. (2015).Liquidity performance evaluation of the Brazilian Interbank market using a Network-Based Approach. *Banco Central Do Brasil, ISSN: 1518-3548*.
- Tijani A. &Tharwa N (2022). The effect of liquidity risk on bank performance: A competitive study of Islamic and conventional banks in Middle East and North Africa region, *Content List available at growing science ISSN:1211-1220*.
- Tomy R.I, Bambang S. & Abdul G. (2019).The effect of leverages, liquidity and profitability on Disclosure of financial statement by moderation of auditor quality in Indonesian manufacturing companies.South East Asia journal of contemporary Business Economics and law.18(5), (February). ISSN:2289-1560.
- Torugsa, N.A. (2012). Capabilities practice of corporate social responsibility and financial performance in SMEs: Empirical evidence from an Australian manufacturing industry sector. *Journal of Business ethics, 109, 482-500*.
- Tram T., Xuan H., Tran T.N. & Tran T.K.O (2022). Liquidity risk and performance in Southeast Asian countries: A dynamic panel approach. *research of quantitative finance and economics, 5(1), 1111-1331*.
- Ugwu, O.C., Ugwoke, R.O., Michael, E. I., Asogwa, C.& Orji A.N. (2020). Effect of liquidity management on the performance of deposit money banks in Nigeria. *Journal of Social Science Research, ISSN: e-2411-9458, ISSN: 2413-6670, 6(3), 300-308*.
- Umobong, A. A. (2015). Assessingthe Impact of Liquidity and Profitability Ratios on Growth of Profits inPharmaceuticalFirms in Nigeria.*European Journal of Accounting, Auditingand Finance Research, 3(10),97-114*.
- Usman, A., Hassan, S.U. & Dabo Z. (2016).Bank Liquidity and Performance of Listed Deposit Banks in Nigeria. *Nigerian Journal of Accounting, Department of Accounting Ahmadu Bello University, Zaria. Page 1, 12(1) ISSN: 978-125-193-X*.
- Verns, E. (2020). Financial performance –Understanding its concept and importance. Retrieved: <https://www.simplilearn.com/finance-performance-rar21-article>.
- Wan-Ahamed, W. S., Almsafir, M. K., & Al-Smadi, A. W. (2014). Does corporate social responsibility lead to improve in firm financial performance? Evidence from Malaysia. *International Journal of Economics and Finance, 6(3), 126–138*.
- Will, K. & Gordon, S. (2022). Fundamental analysis-Tools for Fundamental.Retrieved:

[https://investopedia.com/terms/f/financialperformance.asp#what-is-financialperformance.](https://investopedia.com/terms/f/financialperformance.asp#what-is-financialperformance)

- Wuncharoen, C.(2013). The relationship between corporate social responsibility and firm performance from the hotel industry o Kho samui Island, Thailand proceedings of 3rd Global accounting , finance and economics conference , Rydges Melbourne , Australia .ISBN: 978-1-922069-23-8, (2009), 1-11.
- Yusuf, B. A., & Maryam A. (2015).Corporate Social Responsibility and Company Performance. *Journal of Business Studies*, 7(1), 2152-1034.