ACCOUNTING INFORMATION AND SUSTAINABLE GROWTH OF LISTED INDUSTRIALGOODS FIRMS IN NIGERIA

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ABSTRACT:

The aim of this study is to examine the effect of accounting information on the sustainable growth of listed industrial goods firms in Nigeria. The study among others intends to determine the effect of sales volume on the sustainable growth (Tobin's 'Q') of listed industrial goods firm in Nigeria and to ascertain the effect of net profit (profit after tax) on the sustainable growth (Tobin's 'Q') of listed industrial goods firm in Nigeria. The work employed multiple regression model to test the null hypothesis and purposive sampling technique to analyze the audited financial statements of seven (7) listed industrial goods firms that were used in the study for the period of 2011 – 2020. Based on the findings, the study recommends that managers of listed industrial goods firms in Nigeria should seek for better ways to improve their sales performance and profitability since it can also be seen as an indicator of firm's success. In other words, there is a weak association between accounting information and the sustainable growth of firms when measured by Tobin's Q.

Key words: Accounting Information, Dividend Payment, Sales Volume, Sustainable Growth, Net Profit
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1. INTRODUCTION

Most companies have their goals to be successful in the future. The sustainable growth rate is one of the company's goal to survive and remain attractive to their investors, bankers and analyst and it has to be measured with specific measurement on company's performance (Rahim, 2017). To achieve this, information about the accounting and financial well-being as well as the accurate documentation of financial transactions of the organisation is essential (Agboola, Alimi, Adeoye and Muhammed 2020). Onaolapo and Odetayo (2012) explained that Accounting information is one of the most important ingredient for financial managerial decisions. This makes it an obvious fact that information system is essential to manage a successful organisation. Accounting Information System is a structured system that business adopts mainly for the purpose of storage, management, process, retrieval and also to report financial data so as to aid accountants, financial officers, consultants, auditors, regulators and tax authorities in taking adequate decisions (Agboola et.al, 2020). The manufacturing industry relies on structured accounting information system to process payment, collect, process and store financial data, production of managerial report and financial statement as well as providing accurate records and process data (Nnenna, 2012).

Hence, it is recognized that, appropriate bookkeeping/accounting information and financial statements are important for a successful management of a business be it large or small (Negou,

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2018). Without adequate accounting information, the assessment of business would leave a business with bias judgment regarding investment provisions and returns. Financial information is an indispensable necessity to forecast, compare and convincingly appraise a company's performance financial decision in areas such as investment options, earning potentials, financial resources and asset management, sourcing of fund or credit facility, debt obligation management and settlement, full disclosure of business financial position, changes in the net worth of business et cetera. It assists a manufacturing firm in making relevant decisions in relation to allocation of scarce resources between competing need (Joseph, Nwanosike, Onwuka & Omeonu, 2017).

In a manufacturing firm, the inevitable fact is that materials, trained personnel, proper funding and good management constitute the component part of accountability as a watch word and because of this, in a day-to-day business affair there is need for accurate and informative financial records and statement which are necessary in making sound decisions by the managers. It is based on this premise that accounting information comes in since its objective is to help managers determine the total sales realized, to know whether a profit has been made, the amount of the assets on hand, the amount owned to creditors and amount of owners' equity which will help them have a good timely and useful information (Harris, 2002). It is against this background that this study aims at examining the effect of accounting information (sales volume, net profit and dividend payment) on the sustainable growth (Tobin's 'Q') of listed manufacturing firms (industrial goods sector) in Nigeria.

1.1 Objectives of the Study

The general aim of the study is to determine the effect of accounting information on the sustainable growth of industrial goods firms in Nigeria.

The specific objectives include:

1. To determine the effect of sales volume on the sustainable growth (Tobin's 'Q') of listed industrial goods firms in Nigeria.
2. To ascertain the effect of net profit (profit after tax) on the sustainable growth (Tobin's 'Q') of listed industrial goods firms in Nigeria.
3. To examine the effect of dividend payment on the sustainable growth (Tobin's 'Q') of listed industrial goods firms in Nigeria.

1.2 Hypotheses

The following hypotheses stated in null form would be tested in this study:

H_{01}: There is no significant effect of sales volume on the sustainable growth (Tobin's 'Q') of listed industrial goods firm in Nigeria?

H_{02}: There is no significant effect of net profit on the sustainable growth (Tobin's 'Q') of listed industrial goods firm in Nigeria?

H_{03}: There is no significant effect of dividend payment on the sustainable growth (Tobin's 'Q') of listed industrial goods firm in Nigeria?

2. LITERATURE REVIEW

2.1 Conceptual review

2.1.1 Accounting Information

According to Okoro, Ibanichuka, and Micah (2020) Accounting Information can be seen as the outcome of accounting systems that measure and routinely disclose audited, quantitative data concerning the financial position and performance of an enterprise. Audited balance sheets, income statements, and cash-flow statements, along with supporting disclosures, form the foundation of the financial accounting reports to investors and indeed a wide range of accounting information users. Financial statements have the ability to perform a number of functions. They basically provide financial aid to managers in decision making, measurement or evaluation of a firm's performance, and also to portray a firm's value. Thus, for disclosed financial information to be useful, it must be

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relevant and faithfully represent what it purports to represent. The usefulness of financial information is enhanced if it is comparable, verifiable, timely and understandable.

Robert and Abbie (2003) defined financial accounting information as the product of corporate accounting and external reporting systems that measure and routinely disclose audited, quantitative data concerning the financial position and performance of publicly held firms. Accounting information refers to processed data generated through an accounting system where objective is to provide facts that are useful about the reporting entity to existing and potential investors, shareholders, lenders and other payables in decision making (Ironkwe & Nwaiwu, 2018).

2.1.2 Accounting Information System (AIS)

AIS is a system of collecting, storing and processing financial and accounting data that are used by decision makers, by management or externally by other interested parties including investors, creditors and tax authorities (Kebede, 2016 in Harash, 2017). AIS is the integration of physical and non-physical components which are interconnected and collaborate with each other to process the financial transaction data to solve financial problems (Susanto, 2007 in Alnajjar, 2017). According to Bordan and Bader (2018) Accounting Information System (AIS) is a formal system for identifying, measuring, accumulating, analyzing, preparing, interpreting and communicating accounting information about a particular entity to a particular group. Accounting Information System (AIS) represents a range of sources (persons and equipment), which are designed to collect financial data to reach the information needed for different decision-makers at a particular period of time (Bodnar and Hopwood, 2010). According to Khan, 2017 in Kashif 2018, Accounting Information System (AIS) is a combination of people, equipment, policies, and procedures that work together to collect data and transform it into useful information. It is a formal mechanism for gathering, organizing and communicating accounting information about an organization's activities.

2.1.3 Sales Volume.

Sirajuddin, Muhammad and Muhammada (2017) are of opinion that sales volume as a subjective performance measurement acts as a catalyst if performance information is provided in non-monetary terms. Kelemu and Mandefro (2017) pointed out that the purposes of sales volume are prominent in many firms, stating that the business performance and economic profit of the firm can be summarized in sales volume. As such, sales performance can be measured relative to a company's major competitor and the organization's objective.

2.1.4 Net Profit

According Anuruddiaka (2020), in business and accounting, net income (also known as total comprehensive income, net earnings, net profit, bottom line, sales profit, or credit sales) is an entity's income minus cost of goods sold, expenses, depreciation and amortization, interest, and taxes for an accounting period. Net profit tells you your true bottom line, how much money you're actually left with at the end of the day. Net income is informally called the bottom line because it is typically found on the last line of a company's income statement (a related term is topline, meaning revenue, which forms the first line of the account statement) (Wikimedia Foundation, 2020).

2.1.5 Dividend

Khan, Lamrani, and Khalid (2019) defined dividend as a part of the profit that is distributed among the shareholders. When there is more profit, it increases the dividends which, in turn, increase the stock price of the firm and vice versa, when there is less profit it decreases the dividend payment and the stock price. According to Pandey (2011) dividend is that portion of a company's net earnings which the directors recommend to be paid to the shareholders in proportion to their shareholdings in the company. It is usually expressed as a percentage of nominal value of the company's ordinary share capital or as a fixed amount per share.

2.1.6 Sustainable Growth

According to Rui and Guiying (2009) it is thought as the scale to measure the strength of the enterprise. Higgins (2003) explained that sustainable growth rate represents the maximum rate at which a firm can expand its sales or revenues without depleting its financial resources. He also stated that the sustainable growth concept is very important because it forced the management to consider whether the company's growth strategy was compatible with the ability of the company's growth. A company with excellent growth opportunities but without sufficient financial resources in long-term period to exploit opportunities will not grow.

2.1.7 Accounting Information and Sustainable growth

Companies are required to report their results through financial statements; these statements comprise a set of reports intended to reflect a company's financial condition at a certain date, as well as the reasons for any changes occurred therein between two given dates. The two among such reports are very important to mention: the statement of financial position (balance sheet) and the statement of income, which shows the company's performance by separating revenue generated and funds spent or committed (costs and expenses) during a specific period of time. The statements represent an information to third parties, and both the companies and the stakeholders depend heavily on this information for decision making that can affect the sustainable growth of the business concern. Okoh and Uzoka (2012) established that accounting information has been a relevant instrument in assessing the performance of business organizations by establishing the ways by which accounting information has helped business firms to improve on their performance.

2.1.8 Tobins 'Q'

According to Maryam, Yashir, and Gbulam (2021) Tobin Q is the economic theory of investment behavior which measures the performance of a business firm. 'Q' is the ratio of the market value of the existing shares (share capital) to the replacement cost of the total physical assets. TQ, as a measure of Organizational Performance (OP), is based on the fact that, being a market-based measure of performance, it is also future-oriented, and therefore reflects the present value of future cash flows based on current and future information (Ganguli & Agrawal, 2009 in Wahla, Shah, & Hussain, 2012). Hayashi (1982) has further argued that, in the case of perfectively competitive financial markets, TQ would be a sufficient measure for firm performance and investment decisions. When financial markets are perfect, it is expected that firms will absorb all of the relevant information concerning their future prospects.

2.2 Theoretical Review
2.2.1 Resource-based View Theory

The resource-based view theory was proposed by Wernerfelt in 1984. According to Liang and You, (2009) in Gaurav, Kevin and Yaw (2018) Resource-based view is the theory that has been applied to analyze the impact of information technology on business performance. The basic argument of RBV is that firm performance is determined by the resources it owns. When RBV is applied to analyze the effect of accounting information system, AIS is considered an organizational resource that can enhance organizational capabilities and eventually lead to higher performance. According to Barney (1991) the resource-based view proffers a means of evaluating potential factors that can be deployed to earn a competitive edge for business organizations. A key insight arising from the resource-based view is that not all resources are of equal importance, nor do they possess the potential to become a source of sustainable competitive advantage. The resource-based theory is divided into three levels; capability, competence and skills. (Cragg, Caldeira & Ward, 2011). Capability refers to how firms manage their resources; competence, refers to how well those resources are managed, and skills are associated with ranges of skills such as technical, managerial and general management skills. Accounting information systems also form part of resources available to firms. Inclining the resource-based view theory with accounting information systems and performance will imply that firms properly and adequately manage accounting information

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systems to utilize its capability competence and skill sets for improved organizational performance (Ganyam & Ivungu, 2019).

Despite the criticisms faced by this theory, Barney and Clark (2007) posits that the resource-based view theory is a theory aspiring to explain the sustained competitive advantage of some firms over others and, as such, was never intended to provide managerial prescriptions. This study will be based on the Resource-based view for it is the theory that is best suitable to the study as it explains the sustained competitive advantage which results in sustainable of growth of firms.

2.3 Empirical Review

Khalid and Kot (2021) investigated the impact of Accounting Information Systems (AIS) on performance management in Thailand's banking sector. The research used purposive sampling to content analyze the financial statements of six major commercial banks in Thailand from 2011-2019. The study comprised of four independent variables representing the AIS: Total Assets, Operational Assets, Total Liabilities and Earning After-Tax; and one dependent variable of Return on Equity. Correlations and multiple regressions were applied to answer the study hypotheses. The results of the study indicated that Total Assets, Operating Assets and Earnings after Tax have a positive and significant effect on Return on Equity. Additionally, Total Liabilities were found to have a negative and significant relationship with Return on Equity. Overall, the study found that AIS has a significant and positive effect on performance management, and the study recommended that AIS should be considered as a critical aspect if long-term growth in performance management is a business objective of the organization.

Macgregor and Ibanichuka (2021) empirically analyzed the relationship between accounting information quality and firm performance of oil and gas companies in Nigeria. The empirical results indicate that accounting information quality significantly relate to firm performance; explaining about 83.1% of total variation in earnings per share, audit lag and disclosure quality were each found to significantly relate to earnings per share. They therefore conclude that accounting information quality has the potency to make significant contribution to earnings per share and recommends that increased scrutiny by regulators (FRCN, CBN, SEC etc) over accounting flexibilities would help to curtail accounting discretions both deliberate and systematic so that accounting information in financial statements will faithfully represent the phenomena they purport to represent and future corporate scandals on oil and gas crises can be avoided.

Olaoye, (2020) evaluated the extent to which accounting information can be used to curb the financial challenges of small business enterprises in Nigeria. The survey research conducted revealed that the success of Small scale enterprises amongst others depends largely but not limited to accounting information which majority of Small scale enterprises lack due to ignorance. It also reveals that most small scale enterprises access to finance depends largely on the quality of accounting information which is determined by the accounting practices in place. The study was concluded by recommending that managers of small scale businesses should employ and utilize the services of professional accountants and that accountants should encourage small businesses owners to access their services by making their professional fees afforded to them.

Agboola, Alimi, Adeoye, and Muhammed (2020) explored the impact of accounting information system (AIS) on financial performance of quoted manufacturing companies in Nigeria. It made use of the secondary data through annual statement of financial report of manufacturing companies listed on the Nigerian Stock Exchange over a period of 6 years (2013-2018). It adopted the panel data analysis with focus on fixed and random effects techniques on STATA 12. Its findings revealed that the level of investment in AIS is justifiable as it positively impacted on the profitability of the selected companies.

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Siyanbola, Maduemem, Ogbebor, and Sanyaolu (2019) determined the effect of accounting system on the performance of SMEs in Nigeria. The population of the study consisted of the Small and Medium scale Enterprises (SMEs) in Festac-Town, Lagos. It employed descriptive and inferential statistics to analyze the primary data collected through administration of questionnaires. The study found that accounting information system has a significant positive effect on SMEs performance. It was therefore recommended that users of accounting information should take cognizance of the quality of accounting information system provided so as to aid their performance.

Muhannad and Seif (2019) assessed the effect of Accounting Information System on Organizational performance in Jordanian Industrial SMEs through the role of knowledge management. The study employs regression analysis using SPSS 20 to investigate causal relationships among the variables and to examine the mediation of knowledge management. The empirical findings from a survey of 350 employees in SMEs industrial firms in Jordan confirmed that knowledge management exerts a mediating effect on the relationship between accounting information system and organization performance. The main implication of the findings for firms is that use accounting information system workings are more likely to achieve higher performance, as a result of strengthened knowledge management. The findings offer evidence on relationships among the variables as well as mediating role of knowledge management in effect of accounting information system on firm performance.

3. MATERIAL AND METHOD

The study used longitudinal panel research design. A panel research design is a type of longitudinal design used when researchers sample a group, or panel, of participants and then measure some variable or variables of interest at more than one point in time from this sample. The population of the study consists of the thirteen (13) listed industrial goods companies in Nigeria as reported by the Nigerian Exchange Group (NSG) Fact book as at 31st December, 2020. The secondary data collected through the annual reports were descriptively analysed using simple mean, standard deviation, minimum and maximum values.

3.1 Variables Measurement

Table 1 Operational Measurement of Variables

Variables	**Type**	**Measurement**
1. Sales Volume	Independent	Natural Log of Net Revenue
2. Net Profit	Independent	Natural Log of Earnings After Tax
3. Dividend Payment	Independent	Natural Log of Dividend Paid
4. Tobin's Q	Dependent	$\dfrac{\text{Market Value of Total Equity} + \text{Book Value of Debts}}{\text{Total Assets}}$

Source: Researcher's Concept (2021)

3.2 Model Specification

Accounting information is measured using sales volume, net profit and dividend payment. The dependent variable, sustainable growth, is measured using Tobin's Q. In order to be able to analyse the data using multiple panel regression, the researcher constructed an econometric model that explains the effect of accounting information on the sustainable growth as follows:

$TQ = f(SV, NP, DP, \ldots)$ …………………..………….…………….eq 1

In an econometric form: $Y_{it} = a_0 + b_1 x_{it} + e_{it}$………………………….…….….………eq 2

Substituting TQ for Y and SV, NP and DP for X:

$TQ_{it} = a_0 + b_1 SV_{it} + b_2 NP_{it} + b_3 DP_{it} + e_{it}$…………..…………………….eq 3

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Where,   a = constant
            b = coefficient of the independent variable
            SV = Sales Volume for industrial goods firm *i* in year *t*
            NP = Net Profit for industrial goods firm *i* in year *t*
            DP = Dividend Payment for industrial goods firm *i* in year *t*
            TQ = Tobin's Q b for industrial goods firm *i* in year *t*
            e = error term
            i = the firm in question
            t = the time in question.

3.2.1 Decision Rule

Accept the null hypothesis if the *p-value* in the result is greater than 0.05 and reject the alternate hypothesis. On the other hand, reject the null hypothesis in favour of the alternate hypothesis if the *p-value* is less than 0.05.

4. RESULT AND DISCUSSIONS

4.1 Data Analysis

4.1.1 Descriptive Statistical Analysis of the Data

The secondary data collected through the annual reports were descriptively analysed using simple mean, standard deviation, minimum and maximum values.

Table 2: Descriptive Statistics of the Data

Variable	Obs	Mean	Std. Dev.	Min	Max
TQ	70	1.893878	2.307616	.2475752	12.16877
SV	70	6.998701	1.257054	0	8.857299
NP	70	5.987428	1.727711	0	8.682557
DP	70	5.451848	2.031057	0	8.435603

Source: Stata Version 14 Output, 2022

Table 2 shows that the measure of sustainable growth which was represented by Tobin's Q (TQ) has an average of 1.893878 with a standard deviation of 2.31. TQ has a minimum value of 0.247 and a maximum value of 12.169. The measure of sales volume which was represented by natural log of sales (SV) has a mean of 6.998 with a standard deviation of 1.258. The maximum value of SV is 8.857 while the minimum value is 0. Net Profit which was represented by Natural Log of Net Profit (NP) has a mean of 5.987 with a standard deviation of 1.728. The maximum and minimum values of NP are 8.683 and 0, respectively. Finally, Table 4.1 shows that Dividend Paid has a mean value of 5.452 with a standard deviation of 2.031. The maximum value of DPis 8.436 with a minimum value of 0.

4.2 Test of Hypotheses

4.2.1 Hypothesis One

H_{01}: There is no significant effect of sales volume on the sustainable growth (Tobin's 'Q') of listed industrial goods firm in Nigeria.

The test of null hypotheses was carried out using multiple Regression. The level of significance adopted for the statistical tests in this study is 5%. The model used in the hypotheses testing was:
$TQ_{it} = a_0 + b_1 SV_{it} + b_2 NP_{it} + b_3 DP_{it} + e_{it}$

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Table 3 Result of the Regression Analysis

Source	SS	df	MS				
				Number of obs	=	70	
				F(3, 66)	=	1.91	
Model	29.3489726	3	9.78299087	Prob > F	=	0.1365	
Residual	338.08227	66	5.12245864	R-squared	=	0.0799	
				Adj R-squared	=	0.0381	
Total	367.431243	69	5.32509048	Root MSE	=	2.2633	

TQ	Coef.	Std. Err.	t	P>|t|	Beta
SV	-.2383092	.3092337	-0.77	0.444	-.1298169
NP	.1256376	.2128804	0.59	0.557	.0940648
DP	.3315207	.2065019	1.61	0.113	.2917892
_cons	1.002087	1.635739	0.61	0.542	.

Source: Stata Version 14 Output, 2022

The test of hypotheses was to ascertain whether the effect of accounting information on the sustainable growth of industrial goods firms in Nigeria is significant. From Table 3 above, the regression result has a coefficient of determination, R^2, of 0.0799 which indicates that about 7.99% variations in Tobin's Q of the selected industrial goods firms were as a result of changes in the explanatory variables (sales volume, Net Profit and Dividend Paid). From the result, there is a weak association between accounting information and the sustainable growth of the firms, when measured by Tobin's Q. The *F*-ratio was used for testing the overall significance of a model to determine whether the explanatory variables are significant in explaining the changes in the dependent variable, TQ. The result shows *F*-ratio = 1.91, *p*-value = 0.1365 which indicates that the model does not significantly predict TQ of industrial goods firms in Nigeria at 5% significance level. The conclusion was based on the statistic that *p*-value = 0.1365 is greater than the chosen 5% significance level.

The first hypothesis examined the effect of sales volume on sustainable growth. The coefficient of the independent variable, reveals the marginal contribution of the sales volume to sustainable growth when other variables or factors are held constant. More so, the sign of the coefficient indicates the direction of the relationship, whereby a positive (negative) sign implies a positive (negative) relationship. From Table 3, the coefficient of sales volume has a negative value of -0.1298 which means that as sales volume was increasing by 1 unit, Tobin's Q was correspondingly decreasing by N0.13. More so, the t-statistic of the test revealed that this negative effect size is not different from zero (t-statistic = -0.77, *p*-value = 0.444).

4.2.1.1 Decision: The level of significance adopted for the statistical tests in this study is 5%. Thus, if the *p-value* in the result is greater than 0.05, the null hypothesis is accepted while the alternate hypothesis is rejected. On the other hand, if the *p-value* is less than 0.05, the null hypothesis is rejected in favour of the alternate hypothesis. Given that the *p*-value = 0.444 is greater than 0.05, the

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null hypothesis was accepted. The researcher concludes that there is no significant effect of sales volume on the sustainable growth (Tobin's 'Q') of listed industrial goods firm in Nigeria (t-statistic = -0.77, p-value = 0.444).

4.2.2 Test of Hypothesis II

H_{02}: There is no significant effect of net profit on the sustainable growth (Tobin's 'Q') of listed industrial goods firm in Nigeria.

The coefficient of the independent variable, reveals the marginal contribution of the net profit to sustainable growth when other variables or factors are held constant. More so, the sign of the coefficient indicates the direction of the relationship, whereby a positive (negative) sign implies a positive (negative) relationship. From Table 3, the coefficient of net profit has a positive value of 0.0941 which means that as net profit was increasing by 1 unit, Tobin's Q was correspondingly increasing by N0.0941. More so, the t-statistic of the test revealed that this positive effect size is not different from zero (t-statistic = 0.59, p-value = 0.557).

4.2.2.1 Decision: The level of significance adopted for the statistical tests in this study is 5%. Thus, if the *p-value* in the result is greater than 0.05, the null hypothesis is accepted while the alternate hypothesis is rejected. On the other hand, if the *p-value* is less than 0.05, the null hypothesis is rejected in favour of the alternate hypothesis. Given that the *p*-value = 0.557 is greater than 0.05, the null hypothesis was accepted. The researcher concludes that there is no significant effect of net profit on the sustainable growth (Tobin's 'Q') of listed industrial goods firm in Nigeria (t-statistic = 0.59, p-value = 0.557).

4.2.3 Test of Hypothesis III

H_{03}: There is no significant effect of dividend payment on the sustainable growth (Tobin's 'Q') of listed industrial goods firm in Nigeria.

The coefficient of the independent variable, reveals the marginal contribution of the dividend payment to sustainable growth when other variables or factors are held constant. More so, the sign of the coefficient indicates the direction of the relationship, whereby a positive (negative) sign implies a positive (negative) relationship. From Table 3, the coefficient of dividend payment has a positive value of 0.2918 which means that as dividend payment was increasing by 1 unit, Tobin's Q was correspondingly increasing by N0.2918. More so, the t-statistic of the test revealed that this positive effect size is not different from zero (t-statistic = 1.61, p-value = 0.113).

4.2.3.1 Decision: The level of significance adopted for the statistical tests in this study is 5%. Thus, if the *p-value* in the result is greater than 0.05, the null hypothesis is accepted while the alternate hypothesis is rejected. On the other hand, if the *p-value* is less than 0.05, the null hypothesis is rejected in favour of the alternate hypotheses. Given that the *p*-value = 0.113 is greater than 0.05, the null hypothesis was accepted. The researcher concludes that there is no significant effect of dividend payment on the sustainable growth (Tobin's 'Q') of listed industrial goods firm in Nigeria (t-statistic = 1.61, p-value = 0.113).

CONCLUSION AND RECOMMENDATIONS

Accounting Information is usually an outcome of accounting systems that measure and routinely disclose audited, quantitative data concerning the financial position and performance of an enterprise. They basically provide financial aid to managers in decision making, measurement or evaluation of a firm's performance, and also to portray a firm's value for the purpose of contributing to the sustainable growth of the firm. The sustainable growth rate is one of the company's goal to survive and remain attractive to their investors, bankers and analyst. It has to be measured with specific measurement on company's performance. It was supposed that industrial goods firms

manage and improve the financial condition of the company by being in a good condition through the instrumentality of adequate accounting information which is necessary for the survival of manufacturing firms. Growth along this dimension can be considered in terms of net profit margin and the likes.

Therefore, this study set out to examine the specific contributions of accounting information such as sales volume, net profit and dividend payment towards the sustainable growth of the firm. It was shown in the result that there is a weak association between accounting information and the sustainable growth of the firms, when measured by Tobin's Q. Therefore, sales volume, net profit and dividend payment do not significantly determine the rate of sustainable growth of quoted industrial goods firms. However, it can still be argued that profit is an important indicator of firm's success, and is necessary for survival in the long-run since long-run profitability is derived from the relationship between cost and revenue.

Based on the findings of this study, the following recommendations were made:
1. Managers should seek for better ways to improve their sales performance perhaps by employing better sales promotion techniques that will boost the firm revenue.
2. Industrial goods firms should ensure that the firms incorporate cost efficiency methods of operation in order to increase their net profits which may help contribute to the competitive advantage of the firm.
3. Investors in industrial should endeavor to use accounting ratios such as dividend payout mostly as a starting point for more detailed financial analysis that will inform their investment decision.

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