Research Journal of Finance and Accounting
ISSN 2222-1697 (Paper) ISSN 2222-2847 (Online)
Vol.12, No.12, 2021

Capital Structure and Firms Performance. A Study of Consumer Goods Firms Listed in Nigerian Stock Exchange

Adebimpe, O. Umorem, Akporien, O. Fidelis, John D. Ekpoese
Department of Accounting, Faculty of Business Administration,
University of Uyo, Uyo Akwa Ibom State.

Abstract
This study was carried out to examine the relationship between corporate capital structure and financial performance of consumer goods companies listed on the Nigeria Stock Exchange. The population of the study was made up of all the consumer goods companies listed in the Nigeria Stock Exchange. The study, using the results of the financial statement statistics and exploratory variables in a regression model showed that equity financing ratio has positive but not significant relationship with return on assets, and that tangibility of assets has a significant positive relationship with return on assets. The study also finds a negative relationship between long term debt financing and financial performance of listed consumer goods companies in Nigeria. The study therefore concludes that corporate capital structure influences the financial performance of listed consumer goods companies in Nigeria and recommends amongst others that companies should rely more on equity financing as it has shown that it improves on the profitability of the company.
Keywords: Capital Structure, Financial Performance, Debt financing, equity financing, tangibility of assets.
DOI: 10.7176/RJFA/12-12-02
Publication date: June 30th 2021

1.1.Introduction

Capital structure (CS) is one of the critical decisions to make in funding and managing finance in any organization. Capital structure refers to the amount of debt and/or equity employed by an organization or a firm to fund its operations and finance its assets which can be expressed as a debt-to-equity or debt-to-capital ratio. CS also the means funding business firm whether big or small because the life-wire of any business venture is the finance.
The major factor that contribute to firm's profitability is the CS and the choice of capital mostly determine it level of performance. In practical term, financial managers who are able to equate the optimal capital structure are rewarded by decreasing a firm's cost of finance thereby increasing the firm's revenue (Rami and Gary, 2007).
Capital structure is seen as a way of merging long term source of funds and equity shares including reversers and surpluses of an enterprises (Olowe, 2011). The theory of CS began with the presentation of a book by Modigliani and Miller (MM) in 1958 which illuminated the conditions that necessitate the relevant or irrelevant of CS to financial performance of the listed companies. Ogbe and Alewi (2013) revealed that sound capital structure is an important decision for a business organization. They stressed that this decision becomes vital not only for the maximization of returns to the distinguished shareholders or stakeholders but also the decision that have positive impact on exploiting the opportunities in the business environment and to remain firm in the competitive environment.
Prathekpanth (2011) opines that detail of how firms funds their activities is paramount in order to examine the determinants of their financial or CS decisions. Firm financing decisions encompass a ranges of organization policy issue. Kehinde (2014) advises that firm should introduce debt finance to the CS of the firm in order to benefit from tax advantage of debt finance. Financial performance such as profit maximization, maximizing profit on assets and increasing shareholders wealth are core product of firm's effectiveness and efficiency (Chakravarthy, 1986) operational performance measures such as growth in sales and market share provide a broad meaning of performance as they concentrate on the factors that ascertain financial performance (Hoffer and Sandberg 1987). A firm engages in capital structure in order to choose among heterogeneity of a financial mix that will suit and reduce cost of capital.

1.2 Statement of Problem

It has been ascertained over the years that some firms within the same line of operation performed better than the others while input resource and capital are similar. But the reason for their achievement could be the nature of capital employed. A firm that uses long term loan to finance short term project may result into bankrupt while same result is bound to occur when short term loan is used to fund long term project.

Capital structure decision management tends to be difficult especially in an economy where the macro economics variables such as exchange rate, interest rate, government policies etc are unstable. The ability of firm to make right choice or decision on capital structure will also determine it strength of surviving into the competitive environment. A firm's judicious use debt and equity is a indicator of strong balance sheet. A healthy CS that reflects a low level of debt and a high amount of equity is a positive sign of investment quality (Richard, 2020).

Harris and Raviv (2020) argued that capital structure is related to the trade-off between costs of liquidation and the gain from liquidation to both shareholders and managers, Barclay and Smith, (1995) and Ozkan (2002) that not only a firm's level of leverage affect firm performance and failure but also its debt maturity structure. However, to determine whether a firm of leverage is moderate, high or low, to adequately precipitate financial performance by influencing good level of return on assets (ROA), the following ratios employees equity ratio (ER), Debt ratio (DR) and proprietary ratio (PR).

1.3 Objective of the Study

The broad objective of this study is to ascertain of capital structure on firm performance in selected firm in consumer goods listed on Nigerian stock exchange while the specific objectives are to:

(i) Examine effect of equity ratio on ROA.
(ii) Ascertain how long term debt ratio influences ROA.
(iii) Determine the relationship between asset tangibility ratio and ROA.

1.4 Research Questions

The study seeks to address the following questions:

1. To what extent does equity ratio affect ROA?
2. To what extent does long term debt ratio of the firm impact on the ROA?
3. what is the relationship between asset tangibility ratio and ROA?

1.5 Research Hypothesis

In order to achieve the above objectives the following hypotheses stated in null forms will be subjected to empirical tests.

Ho_1: There is no significant relationship between equity ratio and ROA
Ho_2: There is no significant relationship between long term debt of the firms and ROA
Ho_3: There is no significant relationship between asset tangibility ratio and ROA

1.6. Significance of the Study

The significance of this study is to assist firm's financial manager to be able to choose suitable sources of finance that will enhance the organizational profitability by putting into consideration other macro-economic variables that it will reduce the risk of liquidation.

1.7 Scope and Limitation:

The study is designed to examine the relationship between corporate capital structure and performance of listed firms in Nigeria. The study covers the period of five years from 2015 to 2019. The study chooses the consumer goods firms as its domain because it covers the larger proportion of the manufacturing industry in Nigeria. The independent variable of the study is capital structure proxied by size of equity, long term debt and asset tangibility ratios while the depended variable is firm performance proxied return on assets.

2.1 Conceptual Framework

Capital structure intensity how a firm finance its entire operations by using various of funds. Capital structure of firms varies with its size, type, age of the company, structure, dividend policies, risk and liquidity and competitive nature of the operational environment. Capital structure (CS) is a process whereby firm combining long-term, short-term debt and equity capital to finance it operations (Hsiao, 2009). The combination of debt and equity financing that yield lesser of cost capital and increase in market value is term optimal capital structure.

Debt Financing: is a process of raising fund through sales of bonds and direct borrowing from financial institutions which must be repay at maturity and it attract finance cost or interest. Debt financing can be group into two dimensions namely: the long term and short term debt financing: Long term debt financing is a form of which it maturity and term of payment exceed one year and it is use to finance long term assets such as land, equipment, building and machineries (Ward, 2008). While short-term debt finance is a form of loan that fall within one year and it use to finance day-to-day activities of the company such as employees wages and salaries.

Equity Financing: Equity is defined as right giving to the holder as owner, decision maker, responsibility bearing and right to dividend. Equity holders are shareholder and they entitle to residual earning after fulfillment fixed obligation (Olowe, 2011). Equity financing is a method of raising capital from the public by selling from firm's stock to potential investors which in turn become shareholder in the company.

The impact firm's CS is revealed by the ROCE which is the ratio showing firm overall profitability (Olowe 2011) But in this study firms ROCE will be determine by the following ratio's; debt ratio; Equity and proprietary ratio.

Debt Ratio: is a financial ratio that measures the extent of a firm's leverage. It is the ratio of total debt to total assets expressed in percentage (Investopedia.com, 2021)

Equity Ratio: is a financial ratio indicating the relative proportion of equity used to finance a company's assets, while proprietary ratio shows the proportion of total assets of a firm which are financed by proprietors' funds. It helps company and is useful for creditors to assess the ratio of shareholders' funds employed out of total assets of the firm (investopedia.com 2021).

2.2 Theoretical Framework

For this study, two theories will be adopted that is, Trade – off theory and agency cost theory.

Trade-off theory: this theory was propounded in 1984 by Myers which supports the role if capital structure in any organization. The theory opines that every firms have optimal capital structure which they are targeting. The theory equally stated that when debt is used in capital structure, the firm may be opportune to have tax benefit and bankruptcy cost, hence the need to trade off between the two. The trade off theory suggested that a firm have growth opportunities should borrow less in order not to lose value in financial distress because the theory predict safety of the firms. It also assumed that an interior solution is obtained so that marginal costs and marginal benefit are balanced. Kehinde, Oluitan, Agbodu (2013) stated that in the Trade-off theory of capital structure the bankruptcy cost is allow to exist.

Agency cost Theory: In every firms, the existence of two groups is paramount, the principals or superiors and agent or subordinates. The principal delegate decision making authority to the agents and expect them to perform certain functions in return for a reward. And both principals and the agents assumed to be rational economic persons motivated solely by self-interest but may differ with respect to preference, beliefs and information (Jensen and Meckling, 1976).

Agency cost theory stated that managers of firms are agents of the owners of the firm that is the shareholders. The principals or shareholders expect the management to conform to their interest costs which emerge because of controlling activities of management, are called agency cost came into being as a result of conflict of interest between shareholder and managers. The costs which are related to equity issue may be included as the monitoring expenses for equity holders and bond expenses for the agent (NIU, 2008). Agency costs can also be use as a proof of evidence to determine how diligent the managers are in fulfilling their contractual assignment with shareholders.

2.3 Empirical Review

A lot of literature has revealed the benefits of capital structure to various firms on negative and positive relationship ground. Adeyemi and Oboh (2011). Examined the empirical effects of corporate capital structure on the market value of some selected firms listed on the Nigerian stock exchange and the result suggested that a positive relationship existed between a firm's choice of capital structure and its market value in Nigeria.

Ogebe, Ogebe, and Alewi (2011) also carried out a study on the impact of capital structure of firm performance in Nigeria between year 2000 to 2010. They considered the impact of some key macro economic variables (gross domestic product and inflation) on firm performance. Their findings revealed that there was a negative significant relationship between leverage and performance.

Leon, (2013), researched on the impact of capital structure on financial performance of the listed manufacturing firms in Sri Lanka from the period of 2008-to-2012. Financial performance was measured in terms of accounting profitability by return on equity (ROE) and return on assets (ROA) the findings reveal that there was a significant negative relationship between leverage and ROE and there was no significance relationship between leverage and ROA.

Babalola (2012) examined an optimal capital structure to maximize the performance of selected firms under the same systematic risk. The study Investigated the relationship between ROE and the capital structure for a sample of 10 firms from 2000 to 2009. The study finds the optimal capital structure and the expected maximum value of ROE.

Owolabi and Inyang (2012) investigated the determinants of capital structure decisions of firms in the manufacturing industry in Nigeria. The study asserts that capital structure of a firm consists of a particular combination of debt and equity issues to relieve potential pressures on its long term financing. Their findings highlighted issues such as financial distress bankruptcy threats, solvency problem, risk of default etc due to unstable economic and political situations as possible dangers that may plague firms whose capital structure may tilt towards debt financing.

Alawward (2013) conducted a study to investigate the impact of capital structure on the performance of non-financial firms operating in Saudi Arabia for the period between 2008 and 2012. The study analyses the relationship between capital structure proxies that include short term debt (STD), Long Term Debt (LTD) and Total Debt (TD) with operating share (EPS) Net profit margin (NPM), return on assets (ROA) and return on quality (ROE). The study finds that only LTD and TD have significant impacts on ROE while ROA has a statistically significant relationship with each level of debt.

Al-Taani (2013) investigated the relationship between capital structure and firm performance across different industries using a sample of Jordanian manufacturing firms in Jordan. The annual financial statements of its

manufacturing companies listed on the annum stock exchange were used for the study which covers the period of 2005 to 2009. The result showed a negative and significant relationship between short term debt to total assets and return on assets and profit merging; while total debt to equity is positively related with return on assets and profit margin, while total debt to equity is positively related with return on assets and negatively related to profit margin.

Marco (2012) examined the relationship between capital and firm performance based on 2007 data from 4 big economics in Europe; Germany, France, Italy and, UK. The study reveals a negative relationship between firm's leverage and firm's performance and finds the relationship between capital structure and firm performance may be not linear in case of Germany and France.

Rami and Gary (2007) investigated the effect capital structure has had on cooperate performance using a panel data sample representing of 167 Jordanian companies during 1987-2003. The result showed that a firm's capital structure has a significantly negative impact on the firm's performance measures in both the accounting and market's measures.

Yamka and James (2015) examined the relationship between firm's capital structure and its strength in improving financial performance on selected food product companies in Nigeria, The study established that capital structure has negative on return on assets and return on equity buy positive effect on return on capital employed.

3.1 Research Design

The study adopted an ex-post factor research design since the data were already available. The study also used the correlational approach to find the relationship between and among variables.

3.2 Area of Study

This study covers the consumer goods sector of the manufacturing sector of the Nigerian economy.

3.3 Population of the Study

This research population is made up of all 16 consumer goods firms listed in the Nigeria Stock Exchange (NSE). Each company in the population must have finished its duties in delivering annual report of the period under consideration.

3.4 Sample Size and Sampling Techniques

16 companies are operating in the consumer goods sector. Based on this population, a normal confidence level of 95% and error tolerance of 0.05% was used. The final sample size for this study was based on the Yamane's formula (1967). The statistical formula is stated, thus: $n= N/1+N(e^2)$.

Where n = Sample size

N = Population size

e = level of significance desired.

Given that: N = 16 and e = 0.05, the sample therefore = $16/1+16(0.05^2)$ which gives a sample size of 15 companies.

3.5 Methods of Data Collection

Secondary data were used for the study. The secondary data were retrieved from financial statements and notes in the annual reports of the sampled manufacturing companies. The secondary data were obtained from the financial statements of the sampled listed consumer goods firms from 2015-2019.

3.6 Operational Measures of Variables

Variables	Measurement	Appriori sign	Notation
Firm Performance	Firm performance is measured as proft after tax scaled by total asset	+	ROA
Equity Size	This is obtained total equity value(ordinary share capital) scaled by total assets	+	EQR
Long term debt	This is measured as total long term debt divided by total assets	+	DBR
Asset Tangibility Ratio	This is measured as total noncurrent ass (PPE) divided by total assets	+	TAN

3.7 Model Specification

To test the hypothesis developed, a linear and multivariate regression model which expresses value of the firm as a function of corporate capital structure is stated in functional form as follows:

$ROA_{it} = \beta_0 + \beta_1 EQR_{it} + \beta_2 DBR_{it} + \beta_3 TAN_{it} + e_{it}$

Where:

ROA = Return on assets
EQR = Equity Ratio
DBR = Debt Ratio
TAN = Tangibility of Assets
e = Stochastic or disturbance term
i = Companies
t = Time dimension of the Variables
β_0 = Constant or intercept
β_{1-3} = Coefficients to be estimated or the Coefficient of slope parameters.

3.8 Method of Data Analysis

The study adopted use of multivariate regression analysis as the analytical procedure to find the correlation between variables in the study. This will facilitate our understanding of which among the independent variables are related to the dependent variable and to explore the forms of these relationships. In view of this, the preliminary analyses will be conducted and then the regression estimates calculated. Indicators of the models statistical fit such as the R^2 and the analysis of the variance (ANOVA) test were thus observed alongside the indicators of parameter significance such as the probability values. Further, a correlation matrix will also be used to check on the concept of multi-collinearity, that is if there is a strong correlation between any two predictor variables.

4.1 DATA PRESENTATION

The data collected for the study is hereby presented in tables to show the descriptive and inferential statistics.

Table 4.1: Descriptive Statistics

	ROA	EQR	DBR	TAN
Mean	3.35550	5.396750	0.301000	0.888750
Median	17.70000	0.635000	0.315000	0.620000
Maximum	51.0000	100.0000	0.610000	12.00000
Minimum	0.230000	0.000000	0.000000	0.110000
Std. Dev.	3.61744	21.18237	0.157493	1.808476
Skewness	1.273378	4.138615	-0.160654	6.014902
Kurtosis	4.020629	18.15897	2.458822	37.47626
Jarque-Bera	12.54609	497.1783	0.660186	2222.215
Probability	0.001886	0.000000	0.718857	0.000000
Sum	1294.220	215.8700	12.04000	35.55000
Sum Sq. Dev.	55187.79	17499.02	0.967360	127.5528
Observations	**75**	**75**	**75**	**75**

KEY: ROA – Return on Assets; EQR– Equity Ratio; DBR – Debt Ratio; TAN – Tangibility of Assets

Table 4.1 shows the descriptive statistics of the variables in the model. The mean for ROA is 3.3555 which indicates an average 3.5 percent of returns of the sampled firms during the period under review. The highest and lowest returns is 51 and 0.23 percent respectively. The standard deviation of 3.61 which indicates no substantial dispersion from the average return on assets. The probability value of 0.00188 implies that the data satisfies normality criterion and is suitable for further analysis.

In addition, equity capital ratio (EQR) has a mean value of 5.396 for the time period examined. The maximum and minimum amount of EQS for the period was 100 and 0.000 respectively. The implication of the maximum and minimum values indicates that there are companies with whole equity financing among the sampled firms. The standard deviation measuring the spread of the distribution stood at 21.182 which is quite high from the mean and indicates a considerable dispersion among the sampled companies. The Jarque-Bera- statistic stood at 497.17 and the p-value of 0.000 indicates that the data is normally distributed at 5% level of significance ($p<0.05$).

The descriptive statistics also show a mean of 0.301 for DBR which indicate an average long term debt ratio of about 30% in the sampled firms. The maximum and minimum ratios for DBR are 61% and 0% respectively. The standard deviation of 0.157 is low from the mean and indicates that there is not much variation across the companies surveyed. Probability value of 0.7188 also indicates the likelihood of outliers.

Finally, tangibility of assets TAN has a maximum of 12.00 and a minimum of 0.11 of sampled firms with a mean of 0.888. The standard deviation of 1.808 also shows no considerable dispersion in the distribution. The Jarque-Bera statistics of 2222 and probability value of 0.0000 further indicate that the data satisfies normality criterion and can be used for further analysis.

Table 4.2: Correlation Table

	ROA	EQR	DBR	TAN
ROA	1.000000			
EQR	0.077193	1.000000		
DBR	-0.120709	-0.394501	1.000000	
TAN	0.043891	0.725710	-0.306124	1.000000

KEY: ROA – Return on Assets; EQR– Equity Ratio; DBR – Debt Ratio; TAN – Tangibility of Assets

Table 4.2 is a correlation matrix adopted to check the level of relationship between the dependent and independent variables on one part, and among the independent variables on the other. The correlation statistics shows that ROA has a positive relationship with EQR (r=0.0771) and TAN (r=0.0438). The implication of these results is that larger equity financing and acquisition of non-current assets move in same direction hence positively affects the profitability level of listed companies. The correlation also shows that ROA has a negative relationship with DBR (r=0.107).

The correlation matrix also shows that EQR has a positive relationship with TAN (r=-0.757) and a negative correlation with DBR (r=-0.3940). Further, DBR is observed to have a negative relationship with TAN (r=-0.3068). It is observed that none of the variables shows significant high correlations with another.

4.2 Regression Analysis

TABLE 4.3 Regression Analysis Results

Dependent Variable: ROA
Method: Least Squares
Date: 03/25/21 Time: 11:40
Sample: 1 75
Included observations: 75

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	46.40143	15.22252	3.048210	0.0043
EQR	0.285589	0.438459	0.651348	0.5190
DBR	-42.65801	42.61845	-1.000928	0.3235
TAN	0.377362	4.957054	0.076126	0.0397

R-squared	0.533176	Mean dependent var	32.35550
Adjusted R-squared	0.447393	S.D. dependent var	37.61744
S.E. of regression	38.49852	Akaike info criterion	10.23376
Sum squared resid	53356.90	Schwarz criterion	10.40264
Log likelihood	-200.6751	Hannan-Quinn criter.	10.29482
F-statistic	0.411769	Durbin-Watson stat	1.704698
Prob(F-statistic)	0.745528		

Table 4.3 shows the result for the model which examines the relationship between corporate capital structure and financial performance of companies. As observed, The OLS regression estimation shows an R^2 value of 0.5331 which suggests an 53.1% explanatory ability of the model for the systematic variations in the dependent variable with an adjusted value of 0.447. The F-stat (0.7) and p-value (0.7455) indicates that the hypothesis of no significant linear relationship between the dependent and independent variables cannot be rejected at 5% level. For an evaluation of the effects of the explanatory variables on firm performance, we examine their slope coefficients. As observed, the coefficients of corporate capital structure in form of equity ratio and asset tangibility appeared positive (0.855, p=0.5190) and (0.3773,

P=0.0397) respectively. Also long term debt shows a negative coefficient (4.658, p= 0.335). The D. W statistic of 1.704 indicates the absence of serial autocorrelation of the residuals in the model.

4.3 Hypotheses Testing

In discussing the results, the regression estimates are utilized to examine the relationship between the dependent variable firm performance and the independent variables equity ratio, long term debt ratio and tangibility of assets.

Hypothesis One

1. **Ho_1: There is no significant relationship between equity ratio and return on assets of listed consumer goods companies.**

Hypothesis one examines the relationship between equity financing and return on assets. As observed, regression estimates in the model. (Table 4.3) reveals that a positive relationship exists between EQR and ROA ($\beta_1 EQRit$

=0.2855, p=0.5190). We therefore have enough evidence to accept the null hypothesis as the results suggest that there is a positive but not significant effect of equity financing on ROA OF firms listed in the consumer goods sector**.**

Hypothesis Two

Ho_2: There is no significant relationship between debt ratio and return on assets of listed consumer goods companies.

To test this hypothesis, we read off the regression statistics from the table 4.3. It can be seen that there is a negative but not significant relationship between long term debt financing and profitability (($\beta_2 DBRit$ *=-42.658, p=0.3235*). We therefore accept the null hypothesis and state that there is a negative but not significant effect of long term debt financing on profitability of firms listed in the consumer goods sector**.**

Hypothesis Three

Ho_3: There is no significant relationship between asset tangibility ratio and return on assets of listed consumer goods companies.

This hypothesis examines the relationship between assets tangibility and return on assets. As observed from the regression statistics table, a positive and significant relationship exists between TAN and ROA. (($\beta_3 TANit$ *=0.3773, p=0.0397*). We therefore have enough evidence to reject the null hypothesis and state that assets tangibility has a positive and significant effect on the profitability of firms listed in the consumer goods sector.

4.4 Discussion of Findings

The aim of this study is to examine the effect of corporate capital structure on return on assets of firms in the consumer goods sector of the Nigerian economy. We conducted an empirical test of some variables so as to determine to what extent they influence the profitability of the sampled companies. Annual reports of companies for the years 2015 to 2019 were used as the source of data. Findings of the study are discussed below:

4.4.1 Equity Ratio and Firm Performance.

The study reveals that there is a positive but not significant relationship between adopting more of equity in financing operations and profitability of consumer goods companies. The implication is that companies that deploy more equity financing measures can use them to influence their value of share prices but may not necessarily have a large effect on the overall profitability of the firm.

4.4.2 Debt Ratio and Firm Performance.

Results from our regression statistics show that long term debt financing has a negative but not significant effect on return on assets of listed consumer goods firms in Nigeria. This finding did not meet our apriori expectation. We expected an improved profit level of firm due to deductibility of tax on long term debts will increase shareholders' wealth.

4.4.3 Assets Tangibility and Firm Performance.

Findings from the study reveal a significant positive relationship between tangibility of assets and profitability of listed consumer goods companies in Nigeria. This implies that companies with higher level of non-current assets enjoy improved financial performance through depreciation and capital allowance.

5.1 Conclusion

This study was carried out to examine the relationship between corporate capital structure financial performance of consumer goods companies listed on the Nigeria Stock Exchange. The study, using the results of the financial statement statistics and exploratory variables in a regression model showed that equity financing ratio a positive but not significant relationship with return on assets, and that tangibility of assets has a significant positive relationship with return on assets. The study also finds a negative relationship between long term debt financing and financial performance of listed consumer goods companies in Nigeria. The study therefore concludes that corporate capital structure influences the financial performance of listed consumer goods companies in Nigeria.

5.2 Recommendations

In line with the findings of this study, the following recommendations are proffered:

1. The study recommended that the consumer goods companies in Nigeria should use the less of long term debt because it decreases the return on assets of companies.
2. The companies should rely more on equity financing as it has shown that it improves on the profitability of the company.
3. Companies in the consumer goods sector should make use of more tangible assets such as property, plant and equipment since it has shown to positively affect returns on investment..

REFERENCES

Adeyemi, S.B and Oboh, CS (2011). Perceived relationship between cooperate capital structure and firm value in Nigeria. International Journal of Business and Social Science (2):19

Al. Taani; K (2015) The Relationship between capital an firm performance: Evidence from Journal of Finance and Accounting 1(3): 41-45.

Alawwad, S. (2013). Capital Structure effect on firm's performance: Evidence from Saudi listed companies, Master thesis, Saint mary's University.

Babalola, Y. A. (2012). The effects of optional capital structure on firms' performance in Nigeria. Journal of Emerging Trends in Economics and Management Sciences (JETEMS) (2). 131-133.

Barclay, M.J, and Smith, C.W. (1995) "the Maturity structure of corporate Debt" Journal of Finance 50 (609-32).

Chakravarthy, B. S (1986). Measuring strategic performance" strategic Management Journal 7, 437-58

Hoffer, C.W. and W.R. Sandberg, (1987). "improving view venture performance: Some guide lines for success: American Journal of small business 12, 11 – 25.

Hsiao; M. (2009). Sprouting fiduciary duty of honesty and fidelity companies Act 2006 (2009), 20 (9). International Companies and Com. Lreve 301-308.

Investopedia.com (2001), Cooperate Finance and Accounting Cooperate Finance.

Jensen, M and W. R. Meckling (1976). Theory of the firm: Managerial Behaviour, Agency Cost, and ownership structure, Journal of financial economics 3, 305-360.

Kehinde, J. S (2014). Capital Structure and survival Dynamic of Business organization: The Dividend Approach. Journal of Finance and Accounting, 2(2).20-23.

Kehinde, J.S., Olutan, R. and Agbodu, O.A. (2013) Capital Structure and Survival Dynamic of Business Organization. The Earning Approach. International review of social Science and Humanities, 6 (6) 13-18.

Lean, B. (2013) Dynamic Capital Structure Determinants: Some evidence from South Africa. Journal of Economic and Financial Sciences 6(3).

Marco, D.r. (2012): How does capital structure affects Firm Performance? Recent Evidence from Europe Countries. Tilburg School of Economics and Management Journal.

Modigliani, F and Miller, M (1958): The Cost of Capital, Corporation Finance and the Theory of Investment: American Economic Review, 48, 261 – 297.

Morri, G. and Bretta, C. (2008). The Capital Structure Determinants of REITs. Journal of European Real Estate Research, Vol. 1 No. 1, pp: 6-57.

NIU, X (2008) Theoretical and Practical Review of Capital Structure and it determinants. International journal of Business and Management Archives Vol. 3; No. 3; 133-139.

Ogebe, O. P, Ogebe, J. O. and Alewi, K. (2013) The impact of Capital Structure on Firms, Performance in Nigeria. Journal of Risk Finance, 6 (5): 438 – 445.

Olowe, R. A. (2011). Financial Management, concepts, financial system and business finance (3rd ed) Lagos, Nigeria: Brierley Jones Nigeria Limited.

Owolabi, S.A and Inyang, U. E. (2012). Determinants of capital structure in Nigerian Firm: A Theoretical Review, E-Canadian Journal of Accounting and Finance, 1(1):7-15.

Ozkan, A, (2002), "The Determinants of Corporate Debt Maturity: Evidence from U.K Firms" Applied Finance Economic 12, 19-24.

Prathepkanth, P; (2011). Capital Structure and Financial Performance: Evidence from selected Business companies in Colombo Stock Exchange. Journal of Arts, Science and Commerce, 2 (2): 171-183.

Rami, Z. and Gary, G. T; (2007). Capital Structure and Corporate Performance: Evidence from Jordan. The Australasian Accounting Business and Finance Journal, Vol. 1. No. 4.Ravi (1991).

Ravid, a. and Harris, M. (1991). The Theory of Capital Structure, Journal of Finance 46: 297-355 http://dx.dol.org.

Richard (2020) – Investopedia Corporate Finance and Accounting Analysis.

Ward, M and Prince, A. (2008) Turning Vision into Value: Corporate Finance for non-financial executives, Pretoria Van Schalk Publisher.

Yimka, S. A., and Jame, A. O. (2015). Firms Capital Structure and profitability Performance. A study of selected Food Product Company in Nigeria. International Journal of Banking and Finance Research (SSN 2695. 186 X Vol. No. 8.