

Abstract

The main objective of this study was to identify the main determinants that affect future disclosure level in Egyptian listed companies' annual reports. The sample of the study included the most active 25 companies (EGX 30 index) listed on the Egyptian Stock Exchange during the period from 2014 to 2016 after excluding 5 companies due to unavailability of some conditions. To measure future disclosure level of the sample, the researcher analyzed the content of financial and non-financial reports based on a developed future disclosure index consisting of 37 items. To explore the effect of firm characteristics on future-oriented disclosure level, the researcher developed nine hypotheses and used a multiple regression analysis. Results of multiple regression model indicated that firm size, profitability, auditor type, industry type, institutional ownership and family ownership as independent variables were positive and significant in interpreting the difference in future disclosure level (dependent variable) of the study sample. While, debt ratio, firm age and international listing as independent variables were negative and insignificant in interpreting the difference in future disclosure level. The study recommended Egyptian professional organizations (e.g. Ministry of Investment, Egyptian Financial Supervisory Authority, Egyptian Society of Accountants & Auditors) to pay attention to future disclosure by the issuance of rules and guidelines to guide firms how to prepare future reports and statements as well as to motivate Egyptian listed companies to increase future disclosure level.

Keywords: future-oriented information – annual reports – firm characteristics – Egyptian listed companies