

MODERATING ROLE OF ACCOUNTING CONSERVATISM ON BOARD ATTRIBUTES AND GOING CONCERN OF LISTED OIL AND GAS COMPANIES IN NIGERIA

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Abstract

The study examines the moderating role of accounting conservatism on the relationship between board attributes and going concern of listed oil and gas firms in Nigeria. The study adopts ex-post factor and census research design. The population of the study covers ten (10) oil and gas companies listed in the Nigerian Exchange Group as at 31st December, 2022. The study utilised the data extracted from annual report and account of fifteen years from 2008-2022. The study revealed that accounting conservatism to have positive significant moderating role on the nexus between board expertise and going concern of listed oil and gas in Nigeria. The findings also revealed a positive but insignificant moderating effect of accounting conservatism on the nexus between board gender diversity and going concern. The study concludes that board attributes (board expertise, board remuneration and board independence) good and strong in determination of going concern in listed oil and gas firms in Nigeria. Based on the findings, it is recommended that oil and gas firms in Nigeria should ensure prudent and strict compliance with the accounting conservatism principle so as to have a successful, hitch-free perpetual existence (going concern) for the listed oil and gas companies in Nigeria.

Keywords: Board attributes, going concern, moderator, accounting conservatism, oil and gas firms.

1. Introduction

The early twenty-first century financial scandals that caused well-known corporations in industrialized nations to fail, such as Enron, the Worldcom crisis, Tyco, and Olympus Lehman Brothers, Wal-Mart Stores, Parmalat, Barings Bank, and more recently Thomas Cook in, moreover, in Nigeria companies like Avop Oil, African Petroleum Nigeria limited, Afroil Plc, Chevron/Texaco Plc, Beco Petroleum Plc, Mobil Oil Plc, Bank PHB Spring Bank, Diamond Bank and Anambra State Motor Manufacturing Company among others were examples of corporate failures that dominated the entire discussion of corporate governance with regard to perpetual existence, growth and survival (going concern) of the companies. Scholars, professional accountants, and the government are all concerned about the causes behind the failure of the aforementioned businesses, which had previously shown signs of extraordinary success. As a result, investors and the general public began to place more emphasis on funding ethically and socially responsible companies whose corporate reputation and commercial strategy were more closely associated with these companies than with governance.

Investors primarily consider three scenarios before making investment decisions. The rate of return on the invested capital, the risk associated with investment as well as the overall perpetuity of the business (going concern). Speaking from Pasko et al. (2022) investigation reveals that good governance practices reduces risk, ensure endless going concern, provides transparency, accountability and enforceability of corporate business. Board attributes as a corporate governance mechanism remained one of the area that is generating a lot of concern among the academics, practitioners, law-makers and the company's stakeholders. This is due to fact that it has to do with a system through which the businesses are directed and controlled. It also has to do with ownership and control, incentives and accountability, direction and performance design, as well as agency problems

On the other hand, going concern assumption, as stated in the Statement of Accounting Standard (SAS) 1, is one of the fundamental accounting concepts that assumes a corporation will continue to operate in perpetuity, meaning that the business organisations are not expected to be liquidated in the near future. Accordingly, International Accounting Standards (IAS 1) requires financial statement preparers to evaluate enterprise's ability to continue as a going concern and to report any "significant doubt" about that ability in the financial statements, In the event that there is no "significant doubt," the financial statements may still be issued on a going-concern basis.

Accordingly, Putri (2020) described going concern problem as the most common problems arising from the financial issues and non-financial issues. The financial issues comprise of but not limited to Adverse Current ratio; Adverse Acid test ratio; dependence on short term financing for long term needs; Recurring operating losses; Working capital deficiencies; Negative cash flows from operating activities; Adverse key financial ratios. While the non-financial issues of going concern include but not limited to loss of key management or staff; Work stoppages or other labour difficulties; Substantial dependence on the success of a particular project; Uneconomic long-term commitments; need to overhaul operations; Legal proceedings; legislation (Fidiana et al. 2023).

From accounting perspective, board size is crucial to the extant research acknowledges that larger boards are couple with a greater variety of expertise, knowledge and experience positively influencing corporate standards and impression disclosure Akhtartuddin et al. (2009). In his argument, (Chen, 2020) described larger boards are better for corporate performance as they have a wide range of collective experience and expertise that may help for better decision. Abed et al (2022) posits that larger number of directors on the board can reduce the probability of creative accounting. It is believed that companies with larger board are characterized by a higher quality of monitoring, with positive characteristics which in turn increase social performance. However, regardless of the monitoring and positive characteristics, if board size goes beyond capability of corporate business organisations, poor coordination, planning and communication problems becomes inevitable, hence, let to obstacles in overcoming the agency problem, in turn affect going concern of companies.

Accounting conservatism is a fundamental principle in financial reporting that suggests a careful approach to recognizing and reporting uncertainties, potential losses, and risks in a company's financial statements. The concept aims at to prevent overstating a company's financial performance and stability. More so, providing stakeholders, investors, creditors, regulators, and other users of financial statements with a more circumspect and reliable

view of the company's financial health, reducing the possibility of surprises due to unexpected losses or risks materializing in the future. Accounting rules, such as Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS), provide guidance on how conservatism should be applied in financial reporting, although the degree of conservatism might vary based on judgment and interpretation by management and accountants.

However, there are debates about the application of conservatism which argue that excessive conservatism might lead to understating a company's true potential or could impact the comparability of financial statements across companies, striking the right balance between prudence and transparency while avoiding undue pessimism. This became a challenge that accountants and standard-setting bodies continually to navigate. Therefore, conservatism in accounting aims to ensure that a company's financial position is not overstated, erring on the side of prudence and providing a more realistic view of its financial health. Krismiaji, (2021) posits that application principle should be reflected in main aspects: Recognition of losses, disclosure of risks, provision of contingencies, valuation of inventories as well as impairment of assets. The rationale behind accounting conservatism application is rooted in prudence and the desire to provide financial statements that are less likely to overstate a company's financial position. Conservative financial reporting is believed to enhance the reliability of financial statements, reduce the risk of financial statement manipulation, and provide stakeholders with a more accurate understanding of a company's financial health, especially in the face of uncertainty.

It's important to note that while conservatism is a widely accepted accounting principle, the degree to which it is applied can vary among companies and industries. Striking the right balance between conservatism and the need for relevance and comparability is a challenge that accountants and financial professionals continually navigate. In their argument, Sagir et al. (2019) posit that accounting conservatism consists of principles for recognizing potential losses or risks more promptly than gains, leading to a more cautious approach in financial reporting. Conservative accounting practices tend to provide a more prudent reflection of a company's financial position by anticipating potential losses and risks. Research in this area often examines how board attributes might influence a company's adoption of conservative accounting practices, especially when facing going concern issues. A vigilant and diverse board might encourage or enforce more conservative accounting practices to reflect a more realistic and cautious portrayal of the company's financial health, particularly when there are concerns about the company's ability to continue as a going concern.

Oil and gas industry has been plagued by recent 2018-2020 corporate scandals worldwide which have eroded trust, undermined the rule of law, and threatened their growth and survival. Internationally, companies like Eni- Shell 2018, Petrobras 2018, WWF and Denham Capital 2017, Exxon Mobil, and Bp oil spill, 2010 and Glencore 2020 have been involved in bribery schemes, corruption, climate change cover-ups, and environmental disasters which affected their perpetual existence (going concern). The scandals in Nigerian oil and gas industry involved fraud, embezzlement, and bribery unremitted funds case 2013, procurement fund 2021, missing oil revenues 2016 and settlement of lawsuit 2021 by Nigerian National Petroleum Corporation, and other listed oil and gas firms, Diezani Alison-Madueke financial scandal 2015 Oando Plc 2019, and Atlantic Energy 2015 among others. These scandals highlighted the need for effective

corporate governance in the oil and gas industry. This study aims to investigate the moderating role of accounting conservatism on the relationship between board attributes and going concern of listed oil and gas companies in Nigeria, in order to identify potential solutions to this pervasive problem and promote a culture of transparency, accountability, good governance and ensure perpetual existence in the oil and gas industry.

The association between board attributes, going concern in connection with accounting conservatism became pertinent considering the rate of dearth of businesses worldwide, specifically oil and gas firms in Nigeria. Even though, board of directors existed in failed oil and gas firms both in developed and developing countries such as: Chevron, Texaco plc, African Petroleum Nigeria Limited, Afroil plc 2008, Beco Oil Plc, 2009, Mobil Oil Plc, and Avop oil Plc 2018. However there are still corporate governance problems leading to failure continuation. Such problems could be connected to the role of the Corporation's board, especially its top executives; the Corporation's corporate culture and whistle-blowing system, as well as management interest on internal auditor and external auditors. Therefore, the persistent failure of corporate businesses specifically oil and gas firms could be link to poor corporate management and board who are entrusted with the stewardship of the affairs of corporate businesses to their shareholders'.

The broad aim of this study is to evaluate the moderating role of accounting conservatism on board attributes and going concern of listed oil and gas companies in Nigeria: To accomplish this, other specific objectives are to:

- i. ascertain the effect of board size on going concern of listed oil and gas companies in Nigeria.
- ii. investigate the relationship between board expertise and going concern of listed oil and gas companies in Nigeria.
- iii. examine the moderating role of accounting conservatism on the relationship between board size and going concern of listed oil and gas companies in Nigeria.
- iv. examine the moderating role of accounting conservatism on the relationship between board expertise and going concern of listed oil and gas companies in Nigeria.

The study investigates moderating role of accounting conservatism on the relationship between board attributes and going concern for the period of fifteen (15) years from 2008-2022. Shareholders of oil and gas will benefit from this study by appreciating the relevance of board attribute in enhancing the going concern of their company. This will intimate them on the need to improve their oversight and control functions on the board of directors and be more vigilant and objective in the appointment of board members at the general meetings, thereby leading to protection of their investment and guarantee the perpetual existence of their companies.

2. Literature Review

2.1 Empirical Review

Natalia and Rudiawarni (2022) studied the effect of Board Size, Institutional Ownership and Insolvency Risk on Financial Distress Before and During Covid-19 for each sector on the Indonesia Stock Exchange. Method: This research applies logistic regression analysis. This study uses data from the financial and annual reports of companies listed on the Indonesia Stock Exchange, which are non-financial sectors from 2018 to 2020. This research covers 1,310 firm years as the object of study. Findings: This study finds that board size and institutional ownership can reduce financial distress risk by carrying out a

monitoring function. The findings of the study might be limited to the context of the Indonesia Stock Exchange and might not necessarily apply to other stock exchanges or regions. While the study considers Covid-19, other external factors or events that could impact financial distress risk might not have been fully accounted for.

Effiong et al. (2018) examine the effect of corporate governance on going concern status in non-financial companies in the stock exchange. Using ex- post facto design, the data was obtained from annual report and account of studied companies. The study adopts regression method in analyzing the data. The result shows that corporate governance variables have no significant aggregate effect on going concern status. The study recommends that companies should carefully monitor the entire element that indicate going concern issues and not merely focus on corporate governance. Even though, the study lack recency and external validity as the data for the studies were restricted to 2016. The study therefore need be extended to 2022 as a lot of circumstance occurred which affect the entire word economy such as (Covid 19 Pandemic) among other. Thus, more reliable empirical evidence needs to be emerging.

Iskandar et al, (2011) examines the relationships between certain board of directors' characteristics and the company ability to continue as a going concern. The objective is to identify weaknesses or strengths in corporate governance that are associated with the performance of company in terms of continuing the business in the foreseeable future. Their study employed descriptive statistics, correlation matrix, multivariate panel regression analysis and Logit regression model as tool of analysis, and find that the management equity ownership and the institutional investor equity ownership respectively have negative significant relationships with going concern problem (GCP) while board size and CEO duality has positive significant relationship with GCP. Their study regulators must not allow the practice of duality roles between the board chairman and CEO. These two roles must be carried by separate individuals. Also regulators should provide certain incentives to encourage company managers or institutional investors to hold certain portion of the company equity. Lastly, the use of the composition of non-executive directors as a basis to ensure independence of the board is not appropriate. The use of going concern audit opinion to measure the company financial performance enhances the accuracy of measurements previously employed. Logistic regression was employed. Findings indicate that independence of board of directors' significant effect on going concern opinion. The findings may be context-specific to Malaysian companies listed on Bursa Malaysia as such might not be universally applicable.

Anggarini and Zulfikar (2022) examined the effect of board attributes on financial reporting quality of quoted consumer goods companies in Nigeria. The study explore data of thirteen (13) consumer goods listed in Nigeria Exchange Group (NXG) for the period of five (5) years spanning from (2016-2021). Ex-post facto research design was used together with Ordinary Least Square (OLS) as methodology. The study discovered that board expertise significant in relation to quality of financial reporting. Their conclusion indicates that board attributes particularly board expertise influenced quality of financial reporting and recommend that listed consumer goods firms should prioritize board expertise by increasing the number of non-executive members on the board who are knowledgeable, in accounting, professional and experienced in the field of accounting to reduce management manipulations and halt fraud in the company. Although, recency has been considered in the study, but the study did not consider other sectors like oil and gas, information and communication technology, pharmaceutical companies listed in the

Nigerian exchange group despite their huge challenges during the period of investigation. Hence, generalization of Shamaki et al. (2023) became unacceptable.

Ud-din et al (2020) examined the relationship between the attributes of board structure and the likelihood of going concern problem for the non-financial sector of an emerging market characterized by concentrated ownership and family-controlled business. The uses sample of 146 firms listed on the Pakistan Stock Exchange (PSX) over a period of 15 years, from 2005 to 2019. Initially, the present study utilized panel logistic regression to estimate the relationship between board structure attributes and the likelihood of financial distress. We used Altman Z-Score as a proxy for going concern. The study finds a significant relationship between board size and the likelihood of going concern. The sample of non-financial firms listed on the Pakistan Stock Exchange might limit the generalizability of the findings to other contexts or sectors. While the study by Ud-din et al. (2020) provides valuable insights into the relationship between board structure attributes and the likelihood of going concern issues, additional information about the methodology, statistical analysis, and specific findings would be necessary for a more comprehensive review. Understanding the results within the study's limitations is important for applying them to auditing practices and drawing broader conclusions about the influence of board characteristics on financial distress and going concern issues in emerging markets.

Baklouti et al (2016) examined the effects of corporate governance on the going concern problem of commercial banks in the European Union during the period of 2005 to 2011. The filtered sample includes 147 banks spread throughout 18 countries of the European Union. The Logistic Regression results highlight that board size significantly affect going concern problem. Baklouti et al. (2016) contribute valuable insights into the relationship between corporate governance and the going concern problem in the European Union's commercial banking sector. While the study's findings suggest a significant impact of board size on the going concern problem, limitations such as data quality and omitted variables should be taken into account. Further research and an understanding of the broader corporate governance landscape will be necessary to fully grasp the dynamics at play in this complex issue.

Kammoun and Koufi (2023) determined the effect of conditional conservatism on audit fees and whether engagement in sustainability practice moderates the relationship between conditional conservatism and audit fees. Using the data of three thousand and sixty seven (3767) firm from fourteen (14) developed economy for the period of four (4) years nailing from 2006-2009. Panel data analysis were adopted in the determining the connection between conditional conservatism and audit fees. The outcome indicates that conditional conservatism poses a significant negative on audit fees. Their study emphasis on potential benefit associated with using conservatism accounting practice in terms of shaping downward the amount of audit fees. The study was conducted in developed economy such as Europe neglecting developing economy such as Africa a further study need to be extend to other continent to help and improve their economic activities specifically listed companies.

Sagir et al. (2019) examine the relationship between taxation motive and accounting conservatism after adoption of international financial reporting standard in Nigeria using

panel data by taking marginal tax rate (MTR) and unconditional conservatism (UCC) as proxies, the result indicates marginal tax rate to be positive and significant and suggest that using accounting conservatism give managers more incentives to make accounting information more credible. Their study recommends that standard setting body in Nigeria together with government agencies should ensure proper implementation of IFRS among corporate businesses. In the same vein, Chouaibi and Belhouchet (2023) evaluated the moderation effect of IFRS adoption on accounting conservatism and cost of equity evidence from Canadian environmental social and corporate governance data. Panel data using Thomas Reuter's asset was applied on a sample of two hundred and eighty four (284) companies for the period of 2007-2019. Finding revealed a negative relationship between unconditional conservatism and cost of equity. Even though, both the two studies above used panel data, however, they are from different economy and their findings are not consistent. Hence, further studies need to be extended in Nigeria covering different sectors for reliability and acceptance. The study data was limited to DMBs for 2019 instead of banking industry as a whole therefore the finding cannot be generalized to the banking industry rather DMBs. As such a further documentary evidence need to emerge to capture all firms in the banking industry.

The Prior studies above reported inconsistencies or mixed results highlighting the importance of board attributes in ensuring corporate governance and mitigating going concern risks. However, the role of accounting conservatism as a prudent accounting approach is not clear or was not captured specifically in the Nigerian oil and gas industry. As such the study investigates the moderating role of accounting conservatism on board attributes and going concern of listed oil and gas in Nigeria.

2.2 Hypotheses Development

Based on the above arguments as well as objectives of the study, the following null hypotheses were formulated

H0₁: board size has no significant effect on going concern of listed oil and gas companies in Nigeria.

H0₂: there is no significant relationship between board expertise and going concern of listed oil and gas companies in Nigeria.

H0₃: Accounting conservatism has no significant moderating role on the relationship between board size and going concern of listed oil and gas firms in Nigeria.

H0₄: Accounting conservatism has no significant moderating role on the relationship between board expertise and going concern of listed oil and gas firms in Nigeria.

2.3 Theoretical review

This study reviewed several theories such as agency theory, stakeholders theory, resource dependency theory as well as legitimacy theory. However among all the reviewed theories the study identify agency theory most relevant and underpin the study as it emphasise on the relationship between principal and agent which are the key determinant of going concern in a given corporate organisations. More so, the agency theory relates to this work in the sense that the institutional scope of this study are oil and gas companies, which are private enterprises owned by shareholders (principals) and controlled by managers (who are agents) who are expected to act in the best interest of the owners to achieve perpetual existence.

3. Method

The population of the study consist of (10) oil and gas firms listed in Nigerian Exchange Group as at 31st December, 2023. However using census sampling technique, all the ten (10) companies were used as sample of the study. Taking into account the concept involved in this study, Modified Altman model (2018) was adapted to address the study objectives:

$$Z \text{ Score} = 1.2 \frac{CA}{CL} + 1.4 \frac{RE}{TA} + 3.3 \frac{PAT}{TA} + 0.6 \frac{TEQ}{TDB} + 1.0 \frac{SA}{TA}$$

Where;

Z Score = Firms' financial condition (strong moderate and weak)

$\frac{CA}{CL}$ = Current Asset ÷ Current liabilities

$\frac{RE}{TA}$ = Retained earnings ÷ total asset

$\frac{PAT}{TA}$ = Profit after tax ÷ total asset

$\frac{TEQ}{TDB}$ = Total equity ÷ Total debt

$\frac{SA}{TA}$ = Sales ÷ total asset

Based on the percentage of Z score, modified model divided companies in to strong, moderate and week as follows:

Strong when Z score is > 2.99

Moderate when Z score is 1.811-2.98

Weak when Z score is < 1.811

$$Z \text{ SC} = f(BODAT) \dots \dots \dots (1)$$

Where *GCN_{it}* is going concern variable proxied by *Z SCORE* a function of *BODAT_{it}* which is a vector board attributes variables consisting of board size, board (BSZ), board expertise (BEP) accounting conservatism (ACV) as moderator.

Equation (1) was re-specified in structural form in equation (2) to capture both the dependent, independent as well moderating variables below:

$$GCN_{it} = \alpha + \beta_1 BSZ_{it} + \beta_3 BEP_{it} + \epsilon_i \dots \dots \dots (1)$$

$$GCN_{it} = \alpha + \beta_1 BSZ_{it} + \beta_2 BEP_{it} + \beta_6 ACV_{it} + \epsilon_{it} \dots \dots \dots (2)$$

$$GCN_{it} = \alpha + \beta_1 BSZ_{it} + \beta_2 BEP_{it} + \beta_3 BSZ * ACV_{it} + \beta_4 BEP * ACV_{it} + \beta_5 ACV \dots \dots \dots (3)$$

Where:

GCN = Going concern

BSZ = Board size

BEP = Board expertise

ACV = Accounting conservatism

β_0 = Coefficient term

i = Number of firms (10)

t = Time period 15years (2008-2022)

ϵ_{it} = Error term

Variables Measurement and Sources

Variables	Acron ym	Measurement	Source
Variable			

of Study			
Going concern	GCN	Modified Altman Model (2018) using financial ratios as indicated in model.	Effiong et. all (2018)
Board size	BSZ	Total number of directors on board	Emeka-Nwokeji et al. (2019)
Board expertise	BEP	Proportion of Directors with accounting and finance qualification to the Total Number of Directors on the Board.	Alhassan (2019)
Accounting Conservatism	ACV	Ball & Shavakumar Model (2018) using net operating cash flow, if net operating cash flow is positive 2 was allocated otherwise one was allocated	Aminu (2019)

Source: Compiled by the researcher 2023

4. Result and Discussions

Table 1: Descriptive Statistics

Variables	Mean.	Std. Dev.	Min.	Max.	Obs.
GCN	2.912942	0.6425	1.5320	4.28	150
BSZ	12.1733	2.0554	9	17	150
BEP	0.3527	0.1711	0.08	0.7522	150
ACV	1.8800	0.3261	1	2	150

The descriptive result contained in table 1 revealed that the mean and standard deviation results of going concern (GCN) as 2.9129 and 0.6425 approximately and respectively. The table also shows the minimum and maximum results of going concern as 1.5320 and 4.28 respectively. The average value of the dependent variable (going concern), signifies that majority of the listed petroleum companies in Nigeria falls under the “Medium” category during the period of the study as advocated by the Altman Z-Score model of (1968). This implies that the listed oil and gas companies have a “Moderate Financial Condition” during the period of the study. Indeed, the lowest and highest Z-score values signifies that some listed petroleum companies falls under the “Weak and Strong” categories respectively. This simply implies that some oil and gas companies are experiencing weak financial conditions while others are experiencing strong financial conditions.

From the perspective of board size (BSZ), the table 1 shows a mean value of 12.1733 with a corresponding standard deviation value of 2.0554. This is followed with a minimum and maximum value of 9 and 17 respectively. This signifies that the average

board size of the listed oil and gas companies stood at 12 members while the average change in board size was 2 times. This implies that the board size of majority of the listed oil and gas companies in Nigeria is good and adequate.

From the perspective of board expertise (BEP), the table 1 shows a mean value of 0.3527 with a corresponding standard deviation value of 0.1711. This is followed with a minimum and maximum value of 0.08 and 0.7522 respectively. This signifies that the members with financial expertise on board expertise of the listed oil and gas companies in Nigeria stood at an average of 35 percent (35%) approximately while the change in board expertise was 17 times. This implies that the proportion of directors with financial expertise in majority of the listed oil and gas companies in Nigeria are good and adequate to aid their corporate/business strategies. This is evidenced by the lowest and highest proportion of directors with financial expertise which stood at 8 percent and 75 percent respectively.

Reference to accounting conservatism, (ACV), the table 1 shows a mean value of 1.8800 with a corresponding standard deviation value of 0.32611. This is followed with a minimum and maximum value of 1 and 2 respectively. This signifies that the average accounting conservatism (operating cash flow) of the listed oil and gas companies in Nigeria is positive during the period of the study. This implies that the listed oil and gas companies in Nigeria have positive operating cash flows during the period of the study.

Table 2: Correlation Matrix

Variables	GCN	BSZ	BEP	ACV
GCN	1.0000			
BSZ	0.1584	1.0000		
	0.0528			
BEP	-0.0091	-0.1920	1.0000	
	0.9118	0.0180		
ACV	0.0298	-0.0625	-0.1152	1.0000
	0.7174	0.4477	0.1603	

Source: STATA Output Results, (2023)

From the correlation matrix in table 2, it shows the relationship between the explanatory variables and the explained variable as well as the relationship amongst the explanatory variables individually and cumulatively. Based on the results, it reveals the beta coefficients values of the variables as 0.1584, -0.0091, and 0.0298 representing board size, board, board expertise, accounting conservatism respectively. Accordingly, three (3) benchmarks are normally applied in the correlation matrix analysis with a view to ascertain the presence of high correlation or otherwise. These are the Benneish (1997), Gujarati (2009) and Hair (2014). Consistent with the Benneish criteria, three (3) basic steps applies. These are the slight correlation which ranges between ‘0.00 to 0.29’, the moderate correlation which ranges between ‘0.30 to 0.49’ and high correlation which ranges between ‘0.50 to 0.99’. This simply indicates a moderate correlation amongst the variables of the study. By implication, there is absence of high correlation or redundancy amongst the variables of the study.

Table 3: Multicollinearity Analysis

Variables	VIF	1/VIF
BSZ	1.14	0.873587
BEP	1.09	0.918308
ACV	1.01	0.986074
Mean VIF	1.08	

Source: STATA Results, (2023).

Based on the information contained in table 3 above it shows the multicollinearity results in respect of all the explanatory variables of the study which are tested using VIF and tolerance values as the two major yardstick of measuring the collinearity of a given data. Based on the result, the VIF values for all the variables are greater than 1 but less than 10. This is confirmed by the value of mean VIF of 1.08. The tolerance values on the other hand, revealed values that are greater than 0 but less than 1 across all variables. This signifies the absence of multicollinearity among all the explanatory variables of the study. By implication, multicollinearity may not pose strong threat or problem to the explanatory variables of the study.

Table 4: Generalized Method of Moments (GMM)

Constructs	Coefficients	T-Values	P-Values
Constants	1.632157	3.21	0.001
BSZ	0.0683412	0.64	0.525
BEP	-4.482738	-2.28	0.023
BSZ*ACV	-0.0268666	-0.50	0.614
BEP*ACV	2.190509	2.21	0.027
Adjusted R2			0.3166
Wald Chi2			80.46
Prob.>Chi2			0.0000

Source: STATA Output Results, (2023)

Based on the regression results in table 4, it indicates the adjusted R² value of 0.3166. This signifies that the coefficient of determination have an explanatory power of 32 percent (32%) approximately. By implication, the total changes in the going concern of listed oil and gas companies in Nigeria is caused by the board attributes proxied by board size, board gender diversity, board expertise, board independence, board remuneration, and accounting conservatism during the period of the study. The result also implies that 68 percent (68%) of the total changes in the going concern of listed oil and gas companies in Nigeria is determined by other factors or variables that have not been captured in the model of the study. Therefore, it further implies that board attributes have strong impact on the going concern of listed oil and gas companies in Nigeria. On the other perspectives, the regression results also shows a Wald Chi² value of 80.46 signifying that the explanatory variables are properly selected combined and used. The result also implies that the model is good, adequate and well-fitted for the study. This is confirmed by the prob>Chi² value of 0.0000 which signifies that it is statistically significant at 1 percent (1%) level of significance.

Board Size and Going Concern

From the result in table 4 it shows the coefficient result of board size (BSZ) as 0.0683412 with a corresponding t and p values of 0.64 and 0.525 respectively. This signifies that

BSZ is positively but insignificantly affecting the going concern of listed oil and gas companies in Nigeria. The implication of this is that smaller board size has an adverse or unfavorable effect on the going concern of listed petroleum companies in Nigeria. This is not strange as smaller board size have a very limited opportunities to network and hence, could have restricted synergy and constrained cross-fertilization of ideas compared to a larger board size.

Board Expertise and Going Concern

From the regression result in table 4 it shows the coefficient result of board expertise (BEP) as -4.482738 with a corresponding t and p values of -2.28 and 0.023 respectively. This signifies that board expertise has negative but significant effect on the going concern of listed oil and gas companies in Nigeria. The implication of this is that board expertise is a good determinant of going concern practices of the oil and gas companies in Nigeria. This is quite obvious as the level of technical, professional, and financial expertise possessed by the board members has a long way in taking the affairs of the oil and gas companies into a greater height. However, the aforementioned development cannot be attained by a board of directors composed and dominated by an incompetent director with very little or nothing to contribute to the progress of the listed companies.

BSZ*ACV and Going Concern

Reference to the regression results contained in table 4 it shows that the coefficient result of board size moderated by accounting conservatism (BSZ*ACV) as -0.0268666 with a corresponding t and p values of -0.50 and 0.614 respectively. This signifies that accounting conservatism has negative and insignificant moderating effect on the nexus between board size and going concern of listed oil and gas companies in Nigeria. By implication, board size moderated by accounting conservatism is not a viable instrument influencing the going concern of listed oil and gas companies in Nigeria.

BEP*ACV and Going Concern

From the information contained in table 4 it reveals the coefficient result of board expertise moderated by accounting conservatism (BEP*ACV) as 2.190509 with a corresponding t and p values of 2.21 and 0.027 respectively. This signifies that accounting conservatism has positive and significant moderating effect on the nexus between board expertise and going concern of listed oil and gas companies in Nigeria at 1 percent (1%) level of significance. The implication of this is that the presence of highly competent directors in the board coupled with accounting conservatism can serve as a very crucial determinant of going concern in the Nigerian listed oil and gas companies.

5. Conclusion and Recommendations

Drawing from the study's major findings, it was found that small or large board size can threaten the going concern of the listed oil and gas firms in Nigeria and thus, concluded that larger board size is not a strong driver of going concern of the listed oil and gas companies in Nigeria.

It was also concluded that a board of directors with stronger proportion of financial expertise has a favorable impact on the going concern of the listed oil and gas companies in Nigeria.

From the findings, it was also concluded that accounting conservatism has significant moderating effect on the nexus between board attributes and going concern of listed petroleum companies in Nigeria.

Recommendations

Based on the conclusion drawn on findings, the following recommendations are pertinent to be made and considered by the relevant stakeholders:

- (i) The nomination committee of the respective listed oil and gas companies in Nigeria should consider increasing the number of their board members as it was found to have positive impact on the going concern of the listed oil and gas companies during the period of the study. Such nomination should be based on the perceived roles, hardworking, objectivity, and achievement of the potential members. If effectively and objectively conducted, the going concern of the listed petroleum companies could be improve proportionately;
- (ii) With respect to board financial expertise, adequate consideration should be given to members who possessed requisite financial expertise by the nomination committee of the board. This will ensure productivity and efficiency in the decision making process of the listed companies while providing the listed oil and gas companies with a good sense of focus and direction to steer the affairs of the listed companies;
- (iii) The management of the listed oil and gas companies in Nigeria should ensure prudence in the management and utilization of their cash flows while ensuring strict compliance with the accounting conservatism principle so as to have a successful and hitch-free going concern for the listed oil and gas companies in Nigeria.

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