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HOW FOREIGN OWNERSHIP MATTERS ON FIRM ATTRIBUTES AND ENVIRONMENTAL DISCLOSURE?

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Abstract

This study examines the effect of firm attributes on corporate environmental accounting disclosure (CEAD) of listed Consumer goods firms in Nigeria: a moderating effect of foreign ownership. To achieve this, panel data were extracted and used from the annual reports and accounts of twenty one (21) consumer goods companies listed in Nigerian exchange group as at 31st December, 2023, for a period of ten (10) years (2014-2023) and Ten (10) companies were selected as sample size for the study using purposive sampling technique. Correlation and ex-post factor design were adopted in collecting data, while ordinary least squares (OLS) multiple regression was employed as technique of data analysis. The study conclude that, Profitability (PTY) has negative insignificant impact on environmental accounting disclosure (CEAD. firm Size has positive and insignificant effect on CEAD, foreign ownership and CEAD have statistical positive significant impact on the corporate environmental accounting disclosure of Listed consumer goods Firms in Nigeria. Return on assets (PTY) with interaction of foreign ownership has positive insignificant impact on environmental accounting disclosure (CEAD) while the interaction of foreign ownership on the relationship between Firm Size and CEAD, have statistical positive and significant effect on listed consumer goods Firms in Nigeria. It was recommended that, management of listed consumer goods Firms in Nigeria should strive to increase profit to a higher level, monitor and protect the profit by acquiring more assets and investing more to the immediate environment they operate. This is in line with the fact that return on assets has been empirically found to be a positive and significant factor that determines CEA disclosures in the listed consumer goods Firms in Nigeria.

Keywords: Firm Attributes, Environmental Accounting, Foreign Ownership, Disclosure

1. Introduction

Ever since industrialization was declared from the early 1760s to sometime between 1820 and 1840, a promising land and a prerequisite stage that requires all countries around the globe to embrace in order to adapt to the dynamic and competitive business terrain is environmental problems particularly in respect of pollutions and emissions thus, companies have started providing information about their environmental performance and policies owing to increased accountability (Abdulazeez, 2011). These decisions and actions were retPTYctive response to growing public pressures globally, demanding for increase participation and disclosure of environmental management and performance, particularly by those firms that usually and directly emits on the environment such as; Consumer Goods Firms, manufacturing firms, oil & gas

producing firms, mining and network providing firms. The global expectation concerning the disclosure of corporate environmental management information was be to a certain extent and correspond the ratio of the implications of their operations to the mother environment.

Today, business firms are becoming more sensitively aware of their functional roles and responsibilities towards the operating environment, resulting in a development in social and environmental reporting. Corporate managers/organizations use the accounting medium to communicate to the stakeholders' corporate information not only about the issues pertaining to their economic wellbeing but also relating to their society and environment within which they operate. Meanwhile, corporate financial reporting is the window through which companies communicate to the outside

parties particularly on issues about their performance in terms of growth, profitability, efficiency, and responsibilities both social and environmental (Shehu, 2011). In Nigeria, there has been an increasing pressure from the diverse stakeholders group including business customers, investors, local communities and government among others calling and demanding for improve disclosure of information relative to environmental performance (Abdulazeez & Salisu, 2016). Consequently, companies that are involved in environmental degradation were voluntarily advised as necessary and desirable to disclose environmental accounting information as and when it falls due (Abdulazeez & Ja'afar, 2017).

Environmental accounting disclosure is important information concerning company's activities that is conducted in an ethical manner at globalization age. This is caused by increases on media coverage on issue of climate change and global warming, as a result of company carelessness (Iqbal & Suwitri, 2015). Therefore, this warning sign encourages more attention to sustainability reporting, and raises questions about investment, transparency of disclosure and role of environmental accounting information in generating relevant and reliable financial information (Michelle, 2016).

Generally speaking, for firm decisions to conveniently respond to any internal or external investments, they must commence with their ability to make profits either enormous or little in order to contribute to the environment it operates (Grace, 2016). Return on Assets becomes an overall measure of profitability reflecting both the profit margin and know-how of an institution. It measures how worth firms use all their assets. Return on assets known as PTY ratio is a percentage which measures the net income earned on the assets of firms (Andewi, et al; Suleiman & Abdullahi 2014). Profitable companies have incentives to distinguish themselves from less profitable companies in order to raise capital on the best available terms. One way to do this is through voluntary information disclosure (Lu & Indra 2014; Yusoff, et al, 2013).

Larger firms have more competitive control over small firms in respect of contest. Business can only grow in size and be able to respond to its stakeholder's needs as

well as environmental responsible, when their level of profitability is increase enormously. Environmental information disclosure enhances proprietary costs for high leveraged firms where such costs could create credit negotiations to be more complicated and costly. In addition, the sum of money a company has at hand or can provide quickly reveals how the company is vigorous and financially okay. High levels of cash available indicate that the company can settle off its obligation as at when due easily (Abdullahi, 2016).

Similarly foreign ownership is a very vital factor influencing corporate environmental and financial activities (Zeitun, 2014; Hang & Ngoc, 2018). Foreign investors coming from industrialized countries with good profit orientation, have the knowledge, expertise and administrative ability which lend a hand in boosting corporate performance and environmental accounting disclosure. As well, it is obvious investors can pressure environmental disclosures where they necessitate information on environmental hazard and safety activities and procedures taken to save energy (Ezhilarasi & Kabra, 2017; Nguyen & Dang, 2017). So far to the best of the researcher knowledge, there is no known empirical study in Nigeria that included foreign ownership as one of the factor that determines corporate environmental accounting disclosure as well as moderating effect on Firm Profitability, Firm Size.

Therefore, this study will consider moderating effect of foreign ownership on Firm Profitability, Firm Size, as the key determining factor that influence firm corporate environmental accounting disclosure. There is need for positive indicators of environmental accounting disclosure in companies and business organizations in developing countries, because the disclosure of environmental accounting is not serious enough in most of the developing countries as a result of lack of regulation that will mandate environmental accounting disclosure practice (Alhassan & Mohammed, 2016).

Therefore, including moderating variable (foreign ownership), will be important to the study as many foreign investors, have interest in Consumer goods firms operated in African countries which give them better investment in the sector, to the best of the researcher's knowledge that no study has incorporated it as moderating variable and determinant of corporate environmental accounting disclosure.

2. Literature Review and Hypotheses Development

2.1 Conceptual Review

2.1.1 Profitability (PTY)

Performance (profitability) is the general measure of how well a firm uses its resources to generate profits. It was measured using accounting measures of profitability. Firms should engage in environmental disclosure because it leads to increase in profitability. A company should earn profits in order to grow and survive over a long time period and this profit are fundamental but it would be incorrect to presume that every action set off by a corporation should aim at profit maximization to the detriment of environment, employees and the stakeholder at large (Karambu & Joseph, 2016).

Profitability measured firm earning power, the earning power of an organization becomes important for its shareholders. Profitability is measured in numerous ways and in this study; profitability is measured as the ratio of operating income to total asset. Profitability of consumer goods firms is important to the whole stakeholders. Some of the variables commonly used to measure firm profitability are Return on Asset, Return on Equity and Net Interest Margin. Return on Asset (PTY) is calculated as net income or profit after tax over total assets, Juhmani (2014), Tri and Ishak (2012), Hang and Ngoc (2018), Suleiman and Abdullahi (2014) and Michelle (2016), used net income over total assets to measure PTY. Accordingly, the term return on assets has been defined as the ability of company's assets to generate profits (Shehu, 2013). It is thus, measured as the ratio of firm's profit after tax (PAT) relative to its total assets. It is sometimes measured by dividing a company's annual earnings by its total assets (Kabajeh, 2012).

2.2.2 Firm Size

Large companies are usually exposed to greater attention from stakeholders in relation to their environmental performance than smaller firms and, therefore, they face greater pressures to disclose more information than smaller firms. Further, as suggested by Wong and Fryxell (2004), as a result of the increased awareness and concern about environmental issues, large companies are interested in projecting an image of themselves as firms engaged in the protection of the environment and, in this sense, they consider the

disclosure of environmental information as a way to enhance the company's public image and reputation. On the other hand, the preparation and disclosure of environmental information is costly and, in comparison to medium and small firms, larger companies can afford to spend the financial and technical resources that are necessary to prepare and disclose environmental information and, consequently, it is more likely that they provide such information.

Firm size is considered to be the speed and extent of growth that is best for a precise company. According to Handoo and Sharman (2014), large firms are often more diversified and have more assets and stable cash flows; the probability of defaults for large firms is smaller compared to smaller ones. Thus the financial distress risk can be considered lower for larger firms. The measure of a firm's size used in this study is the natural logarithm of its total Size is the measure of how large the firm's operational capacity is. Various studies have used a number of measures to capture the size of firms.

2.2.3 Foreign Ownership

According to scholars, the level of disclosure is influenced by the degree of concentration or diffusion of capital. In particular, in line with agency theory, research has shown that companies with widespread capital are more sensitive to external pressure and therefore tend to increase their level of voluntary reporting to obtain the consent and support of minority shareholders, because the minority shareholders do not actively participate in the company's activities, would otherwise lack such information (Brammer and Pavelin, 2008).

2.2 Theoretical Review

For the purpose of this study, Legitimacy theory where adopted, which explains that a company, when doing their operations must continuously meet the public expectations to keep receiving legitimacy from them. The company needs to do it because of the "social contract" that occurs between the company and the surrounding community (Choi, Lee, & Psaros, 2013). Legitimacy is a dynamic concept that can change anytime depends on the place and time (Lindblom, 1994). Therefore the company must also pay attention

to the changes that happen in society to maintain their legitimacy and did not threaten the company's going concerned/survival (Islam, 2017; Suaryana, 2011).

Nowadays, stakeholders begin to pay attention to the environment and putting pressure on the company to do mitigation activity, and require the company to disclose the information (Islam, 2017; Berthelot & Robert, 2011; Suaryana, 2011). Firms respond to the pressure by changing their operation activities and disclose them in the annual report. Such response will be expected to have a positive impact as the firm can increase legitimacy from stakeholder (Islam, 2017; Berthelot & Robert, 2011; Suaryana, 2011) and get several other benefits such as increasing firm value (Hermawan et al., 2018; Loh, Thomas, & Wang, 2017), sustain its operation (Anggraeni, 2015), and remain company going concerned (Suaryana, 2011).

2.3 Empirical Review

Profitability and CEAD

Accordingly, prior studies provide diverse results about the relationship between PTY and the level of environmental disclosure. Thus, it was argued that more profitable companies may have sufficient funds for compensating costs of environmental disclosures (Brammer & Pavelin, 2008). Further, there was the argument that high profitable firms may disclose more environmental information in order to avert adverse attention stemmed from the excess profitability and thus, enhance their credibility among investors (De Villiers & Van Staden, 2011; Cormier & Magnan, 1995). Based on this notion, profitability expresses the relationship between firm's profit after tax "PAT" and total assets.

Therefore, Firms should engage in environmental disclosure because it leads to increase in profitability. A company should earn profits in order to grow and survive over a long time period and this profit are fundamental but it would be incorrect to presume that every action set off by a corporation should aim at profit maximization to the detriment of environment, employees and the stakeholder at large (Karambu & Joseph, 2016).

Jafar (2018) examine determinants of corporate environmental accounting disclosures of listed oil and gas firms in Nigeria. The study used both correlational

and ex-post factor design, while the Generalized Least Squares (GLS) multiple regression was employed as technique of data analysis. Global Environmental Disclosure Index (GEI). Eight (8) sampled firms out of the fourteen (14) listed oil and gas firms in the Nigerian for the period 2007-2016 were used. The study found that Return on Assets (PTY) and Managerial Shareholdings have insignificant impact on the corporate environmental accounting disclosure of listed oil and gas firms in Nigeria. While firm size, firm growth, leverage and multi-national companies have significant impact on the corporate environmental accounting disclosures of listed oil and gas firms in Nigeria.

Furthermore, there are other notable researches that examine the link between profitability and CEAD with similar findings to the aforementioned studies. Notable among them were the studies conducted by Faris, Abedalfattah and Marwan (2012), Hussainey, Elsayed and Abdelrazak (2011), Abdulazeez (2016), Abdul razeed (2010), Uwalomwa and Jafaru (2012), Christiana and Zuaini (2012), Khalid, Kouhy, and Hassan (2017) and Umulkher and Muganda (2017) which have all documented with strong statistical evidences that firm profitability as proxied by PTY is positively associated with CEAD.

Firm size and CEAD

The firm size entails the size of the firm, studies on the relationship between firm size and CEAD is mixed and inconclusive. However, size of the disclosing firm is often considered by several studies as one of the explanatory variable that determine the extent of CEAD. Patten (2002) argued that bigger companies tend to disclose more information than smaller ones because of visibility concern. Using legitimacy theory, Cormier and Gordon (2001) contended that as a firm increases in size, it turn out to be more noticeable and therefore, more accountable for environmental disclosure issues. In sum, larger companies are expected to disclose more environmental information than small ones (Abusufian, 2012; Jurica, Lady & Prillia, 2012; Shehu & Farouk, 2013;. Based on these explanations, firm size represents the monetary quantum of company's total assets. Also, Umulkher and Muganda (2017) investigated the determinants of CEAD among in Kenya. The study documented a

strong statistical evidence that firm size have positive and significant influence on CEAD in Kenya. Further, Kokubu et al (2001) have conducted a similar study on Japanese listed companies between the period of 1998 – 2000 using a sample of 1203 listed companies and logistics regression analysis was employed as technique of data analysis. The findings of the study reveals that firm size have a significant positive influence on environmental accounting disclosures.

Jafar (2018) conducted a study on determinants of corporate environmental accounting disclosures of listed oil and gas firms in Nigeria. The study used both correlational and ex-post factor design, while the Generalized Least Squares (GLS) multiple regression was employed as technique of data analysis. Global Environmental Disclosure Index (GEI). Eight (8) sampled firms out of the fourteen (14) listed oil and gas firms in the Nigerian for 2007-2016 were used. The study found that Return on Assets (ROA) and Managerial Shareholdings have insignificant impact on the corporate environmental accounting disclosure of listed oil and gas firms in Nigeria. While firm size, firm growth, leverage and multi-national companies have significant impact on the corporate environmental accounting disclosures of listed oil and gas firms in Nigeria.

Moreso, various researches such as (Reverte, 2008; Amman, Jaussaud & Martinez, 2012; Faris et al., 2012; Uwalomwa & Jafaru, 2012; Christiana & Zuaini, 2012; Suttipun & Stanton, 2012; Victor & Fodio, 2012; Farouk & Shehu, 2013; Makori & Jagonjo, 2013; Octaviana, 2013; Zuriyati et al., 2013; 2015; Abdulazeez, 2016; Suraya et al., 2016; Khalid et al., 2017) have unanimously examined the relationship between firm size and environmental accounting disclosure and the result shows a significant positive relationship between a firm size and the extent of CEAD. They showed in their findings that firms with larger assets size invest heavily on CEAD. Therefore, the larger a firm's operating assets the greater its investment in corporate social and environmental accounting disclosures.

Foreign ownership and CEAD

Higher percentage of foreign ownership results in higher extent of corporate environmental accounting

disclosure. As a result foreign investors are likely to have different values and knowledge related to contextual issues and is able to increase strategic decisions in regards to public and social activities and their reporting (Siddiqui et al, 2013). It can be observed that firms with an environmental disclosure score higher than the median have higher foreign ownership. Foreign ownership is one among the most important corporate governance attribute that engages in corporate environmental disclosure behavior (Ezhilarasi & Kabra, 2017).

Evidence from Nigeria by Daniel, Adewumi and Adeyinka (2015) examined the level of environmental accounting practice of listed firms in Nigeria. Secondary source of data collection was employed for the study. Purposive sampling technique was used to select a sample of 50 firms listed on the main board of the Nigerian Stock Exchange from 2005 to 2012. Qualitative data were sourced and analyzed with the aid of descriptive statistics, based on Global Reporting Initiative and Global Environmental Management Initiative as index for the study. The study recommends that government and business should consolidate on their efforts that enhance environmental sustainability and companies should take corrective measures where their activities devalue the environmental.

Evidence from Ghana Welbeck et al (2017) conducted similar study on determinants of environmental disclosures of Ghana listed firms. The study use 17 of 34 total population samples as at December 2012, considered companies whose annual reports were readily available for 10 year period from 2003 to 2012. The study employed content analysis and the regression analysis results demonstrate that industry sensitivity, firm size and age are important predictors of firms' environmental disclosure practice. However, profitability, ownership type and auditor type do not affect the disclosure behaviour of listed firms in Ghana in any significant manner. The study result would have been better if the period is far beyond 4 years of the post global financial crises of 2008. Again the study would give different result if conducted in a specific domain such as consumer goods industry covering up to 2016.

Moderating Effect of foreign ownership on the Determinant of Corporate Accounting Disclosure of Listed Consumer goods firms in Nigeria.

Namazi and Namazi (2016) posited that moderation relationship is critical in examining the relationship between two variables. We argue that foreign shareholding is an important variable in the relation between CEAD, PTY and firm size. This is because foreign investors may not allow for their reputation to deuterate particularly in the presence of other investors that are environmentally sensitive. Idris et al (2020) maintained that foreign owners have tougher monitoring incentives thereby providing higher and unique control mechanism as a results of their investments (large stakes and long-term investment style). Previous studies found the inconsistent result on the determinants of CEAD (Putri & Aryani, 2016; Saka & Oshika, 2014; Lee et al., 2015; Matsumura et al., 2014; Welbeck et al 2017; Sudiby, 2018). Therefore, including foreign shareholding as a moderator on how profitability and firm size affect CEAD may address the inconsistency of the previous results.

Hypotheses Development

Based on the reviewed literature, the following hypotheses are formulated:

- H₁: Profitability has significantly influences on CEAD of listed Consumer Goods firms in Nigeria.
- H₂: Firm size has significantly impacts on CEAD of listed Consumer Goods firms in Nigeria.
- H₃: Foreign ownership has significantly impacts on CEAD of listed Consumer Goods firms in Nigeria.
- H₄: Foreign ownership moderates the relationship between profitability and CEAD of listed Consumer Goods firms in Nigeria.
- H₅: Foreign ownership moderates the relationship between firm size and CEAD of listed Consumer Goods firms in Nigeria.

3. Methodology

The study used panel data research design. Population of the study consisted of all the twenty one (21) consumer goods companies listed in Nigeria as at 31st December, 2023. Ten (10) companies were selected as sample size for the study using purposive sampling technique. The selection was based on data availability, their performance in the Nigerian consumer goods sector, and the popularity of these companies in the Exchange. The study used secondary data which were obtained from the annual reports and accounts of the sampled firms in Nigerian Exchange Group for the period of ten years (2014 to 2023). The study technique of data analysis used is Ordinary least Square and multiple linear regressions.

The model that examines the hypotheses of the study is presented below:

$$CEAD_{it} = \alpha_{it} + \beta_0 + \beta_1 PTY_{it} + \beta_2 FSIZE_{it} + \beta_3 FOWN_{it} + \epsilon_{it} \dots\dots\dots (i)$$

$$CEAD_{it} = \alpha_{it} + \beta_1 i + \beta_2 FSIZE_{it} + \beta_3 FOWN_{it} + \beta_4 PTY * FOWN_{it} + \beta_5 FSIZE * FOWN_{it} + \epsilon_{it} \dots\dots\dots (ii)$$

Where;

- α = is the intercept
- $\beta_1 - \beta_9$ = are the parameters estimated in the equation
- i, t = firm i, time t
- $CEAD_{it}$ = Corporate environmental accounting disclosure (index)
- PTY_{it} = Profitability
- $FSIZE_{it}$ = Firm size
- $FOWN$ = Foreign Ownership
- ϵ_{it} = error term of firm “i” at time “t”

Table 1: Variable Measurement and Sources

VARIABLES	ACRONYMS	MEASUREMENT	SOURCES
Corporate environmental Accounting Disclosure	CEAD	Computed using 38 items as contained in the global environmental disclosure Index. If a company discloses an item 1 is assign otherwise 0.	Michel (2016) Nuskiya, et al 2021.
Profitability	PTY	Ratio of net income to total assets	Juhmani (2014), Jafar

Firm Size	FSIZE	Logarithm of total assets	(2018). Khalid, et al 2017, Juhmani (2014), Jafar (2018). Idris et al 2020
Foreign Ownership	FOWN	Percentage of share held by Foreign Shareholders to the total number of Outstanding shares	Ezhilarasi and Kabar 2017, Jafar et al 2017. Idris et al 2020

Source: Compiled by the researcher based on literature (2024).

The dependent variable was constructed using a checklist of 38 environmental items. We employed a dichotomous procedure and have been applied widely in corporate disclosure studies. 1 is scored if any of the 38 environmental items in its annual reports, otherwise 0. We then computed the index by using the ratio of the

actual score to the maximum obtainable score of 100 percent.

4. Results and Discussion

4.1 Descriptive Statistics

Table 2: Descriptive Statistics

Variable	Min.	Max.	Mean	Std. Dev.	Kurtosis	Skewness
CEAD	0	1	0.20725	0.04325	2.377831	-0.4676943
PTY	-0.16	0.67	0.18175	0.21827	2.9818	0.7671236
FSIZE	16	19.94	17.888	0.83767	3.43711	0.5319595
FOWN	0.25	0.80	0.593	0.13599	3.26876	-0.6528299

Source: STATA¹³ Output Result

Table 2 reports the descriptive statistics for the dependent and independent variables respectively. The result shows that the minimum value of environmental accounting disclosure (EAD) is 0 and the maximum is 1. In addition, the mean and standard deviation are 0.20725 and 0.04325 with a kurtosis and skewness stood at 2.377831 and -0.4676943 respectively. The standard deviation is 0.04325, which suggested that the data deviate from mean value by 4% approximately. The PTY shows a minimum value of -0.16 and maximum of 0.67. The value mean value is .18175, which shows approximately 18% average, as the standard deviation stood at 0.21827. The standard deviation value indicates that the sampled of the consumer goods firms' return on assets deviates from the mean value from both sides by 22% approximately. Whereby, the result of the kurtosis and skewness was 2.9818 and 0.7671236 respectively.

The table1, above also shows a minimum and maximum value of firm size, which stood at 16.0 and 19.94 respectively. The mean value is 17.888 and the standard deviation stands at 0.83767, also shows a

value 3.43711 and 0.53196 which stood for kurtosis and skewness. This it indicates that the sampled consumer goods firm size deviates from the mean value by 84% approximately, implying that there is significant dispersion of the data from the mean because the standard deviation is low.

Moreover, foreign ownership as show the minimum and maximum level of 0.25 and 0.80 respectively. The table above also shows a mean value of 0.593 and standard deviation value .13599. It further shows a kurtosis and skewness of 3.26876 and -0.6528299. This indicated that most of the consumer goods firms do met up with the required numbers of foreign ownership in the composition of their board, according to corporate governance act.

4.2 Correlation Matrix

Table 3 reports the association between dependent and independent variables as highlighted earlier respectively (dependent variable; CEAD. Independent

variables; PTY, FSIZE and FOWN (foreign ownership, as Moderator).

Table 3: Correlation results

	CEAD	PTY	FSIZE	BIND
CEAD	1.000			
PTY	-0.170	1.000		
FSIZE	0.030	-0.355	1.000	
FOWN	-0.141	-0.222	0.553	1.000

Source: Extracted from STATA¹³ output

Table 3 Indicates that corporate environmental accounting disclosure has negative correlation with return on assets and board independent at the value of -0.170 and -0.141 respectively. While there is a positive correlation between Corporate Environmental Accounting and Firm Size given the value 0.0304. Additionally, we also establish specifically the same

direction if there is a positive or negative correlation relationships between the explanatory variables within themselves. Thus, profitability has negative association with firm size (-0.355) and foreign ownership (-0.222). However, firm size has positive relation with foreign ownership with value of 0.553.

Table 4: Regression Results

Variables	Direct relationship			Moderating effect		
	Co-efficient	T-value	P-value	Co-efficient	T-value	P-value
Constant	0.243	2.16	0.034	0.2156	1.99	0.051
PTY	-0.047	-2.13	0.036	-0.026	-1.21	0.230
FSIZE	0.007	0.02	0.312	0.007	1.13	0.264
FOWN				-0.119	-3.55	0.003
PTY*FOWN				0.009	0.87	0.390
FSIZE*FOWN				0.005	2.95	0.004
R²		0.2104			0.35	
F-Statistics					4.24	
F-Significance		0.0032			0.000	

Source: Extracted from STATA¹³ output

Corporate Environmental Accounting Disclosure and Return on Assets

From the Table 4 above, the result in respect of profitability and corporate environmental accounting disclosure shows that PTY has a p-value of 0.036 signifying that it is significant at 5% in explaining corporate environmental accounting disclosure of listed consumer goods firms in Nigeria. The result further shows a coefficient of -.0470202 and a t value of -2.13. This signifies that PTY is statistically, negatively significant in influencing corporate environmental accounting disclosure of listed consumer goods firms in Nigeria.

The result implies that for every two naira thirteen kobo decrease (N2.13) in PTY of listed consumer goods firms, the corporate environmental accounting disclosure will decrease by 47% approximately. The

outcome of the analysis with regards to PTY and CEAD is not surprising as it is in line with our expectation and as well in line with the reality. The soul motive of every organization is to make profit, which as a result will lead to environmental engagement and information disclosure. This may be as a result of the fact that highly profitable firms have more financial incentives and capability to disclose corporate environmental accounting information than low-profitable firms. PTY companies are more likely to increase the extent of their corporate environmental accounting disclosure and less profitable companies are more likely to reduce the extent of their corporate environmental accounting disclosures. This is because firms with huge and reliable revenue generations coupled with sound profitability are more likely to go beyond the minimum legal and economic requirements of profit maximization. Consequently, listed consumer

goods firms are not exception to embraced environmental accounting disclosure in their annual reports.

Profitability (PTY) measured as profit after tax divided by total assets is found to be significant and negatively associated with corporate environmental accounting disclosure. A positive significant is reported as expected. This therefore, provides evidence for failure to reject hypothesis one of the study which states that PTY has significant impact on corporate environmental accounting disclosure of listed oil and gas firms in Nigeria. Thus, for Hypothesis 1, H01 is hereby accepted.

The finding is consistent with finding of Abdullahi and Munir (2017), Ezilarasi and Kabra (2017). The finding contradicts the study of Hang and Ngoc (2018), which has documented an insignificant association between profitability and corporate environmental accounting disclosures.

Corporate Environmental Accounting Disclosure and Firm Size

The result of the firm size from table 3 is not in accordance with our expectation, shows an insignificant relationship with a p-value of 0.312. The result shows a coefficient of 0.00685 with a t value 0.02. This signifies that firm size has a positive insignificant relationship with corporate environmental accounting disclosure of listed consumer goods firm in Nigeria.

This implies that for every two kobo N0.02 increase in total assets, disclosure of environmental accounting information will increase by (0.00685), 1% approximately. The result is not surprising as it's not in line with our expectation, where the firm size shows an insignificant effect on the corporate environmental disclosure of listed consumer goods firms in Nigeria. This may be due to the fact that large firms have more funds available and in competing with smaller ones and convincing their creditors and investors; they have to embark on CEA disclosure in order to show differences over the smaller firms. Indeed, it is easier for larger firms to raise funds than the smaller ones with which they can set aside a reasonable amount for CEA disclosure.

The result with respect to firm size is found to be positively insignificantly related to corporate environmental accounting disclosure at more than 5% level of significant. This indicates that disclose of environmental accounting information does not matter the size of firm for disclosure of information. Therefore, firm size has statistically positive and insignificantly effect on corporate environmental accounting disclosure. This result is in line with our expectation and hence, provides the evidence to accept the hypothesis two of the study which states that Firm Size has significant effect on corporate environmental accounting disclosure of listed consumer goods firms in Nigeria. Thus, Hypothesis 2, H02 hereby accepted.

The result of insignificant effect of firm size on corporate environmental accounting disclosure found in this study is consistent with the findings of Omnasivaya and Prasad (2020), Abdullahi and Munir (2017). However, notable studies with contrary results were those of Khalid, et al. (2017), Mohammed, et al. (2019).

Corporate Environmental Accounting Disclosure and foreign ownership

Table 3 above shows an insignificant relationship at (0.089) with corporate environmental accounting disclosure. The result shows a beta coefficient of -.04045741 and a t-value of -1.72. This signifies that foreign ownership has negative and insignificant influence with corporate environmental accounting disclosure of listed consumer goods firm in Nigeria. This implies that for every four naira six kobo decrease (N1.72) in foreign shareholdings, corporate environmental accounting disclosure will decrease by 0.04% approximately. This shows that foreign ownership does not influence corporate environmental disclosure of consumer goods firms in Nigeria, considering the result of the p-value (0.089) at 10% approximately, as depict from the table 3 above. This finding is not surprising as it is in line with our expectation and also with reality. Hence, a company with foreign shareholders may not necessarily disclosed environmental accounting information due to the fact that the environmental disclosure is mostly voluntary in many developing nation particularly Nigeria.

This result is not in line with our expectation and hence, provides the evidence to reject the hypothesis three of the study which states that foreign ownership has significant effect on corporate environmental accounting disclosure of listed consumer goods firms in Nigeria. Thus, Hypothesis 3, H03 hereby rejected.

The cumulative R^2 (0.35) which is the multiple coefficient of determination gives the proportion or percentage of the total variation in the dependent variable explained jointly by the explanatory variables. Hence, it signifies that 35% of total variation in corporate environmental accounting disclosures of listed consumer goods firms in Nigeria is caused by return on assets and firm size as moderating by 'foreign ownership'. This further implies that for every change in the determinants of corporate environmental accounting of listed consumer goods firms in Nigeria, the level of disclosure would also be invariably affected.

This indicates that the explanatory variables are well selected, combined and used. This further indicates that the model is well-fitted. It's confirmed by the value of statistic of 4.24 and F- sig. of 0.0002 which implies that it is significant at 1% level of significance.

Moderating effect of foreign ownership on CEAD and Profitability

The result of the interaction of board independence on the association between PTY and CEAD has a coefficient t- value of .0096169 and 0.87 respectively, showing a p-value of 0.390 which is statistically insignificant at. This signifies that the interaction of foreign ownership and profitability has statistically positive insignificant in influence corporate environmental accounting disclosure of listed consumer goods firm in Nigeria.

Foreign ownership has no moderating effect on the relationship between profitability and corporate environmental accounting disclosure (CEAD) of listed consumer goods firm in Nigeria. The finding of the relationship between profitability and CEAD with interaction of foreign ownership shows a statistically positive insignificant influence. The result is not surprising as is not in line with priori expectation given an evidence of rejecting the hypothesis 4, which state

that board independence has moderating impact on the relationship between profitability and CEAD of listed consumer goods firms in Nigeria. Therefore, Hypothesis three, H4 is to be rejected.

Moderating effect of foreign ownership on CEAD and Firm size

The association between firm size and environmental accounting information disclosure with the interaction of foreign ownership shows the result of the relationship with a coefficient of 0.0050491 and t-value of 2.95, with a significant P-value at 1% level (0.004). This signifies that with the interaction of foreign ownership, firm size has statistically positive significant effect on environmental accounting disclosure of listed Consumer goods firms in Nigeria.

The finding of the relationship between firm size and CEAD with interaction of foreign ownership shows a statistically positive significant effect. The result is not surprising as it's in line with priori expectation given an evidence of accepting hypothesis 5, which state that foreign ownership has moderating effect between firm size and CEAD of listed consumer goods firms in Nigeria. Thus, Hypothesis 5, H05 is here by accepted.

5. Concussion and Recommendations

The study draws its conclusions based on the empirical and statistical evidence arrived upon after the analysis and discussions of the result from the previous chapter stated as follows:

First, return on assets (PTY) has negative insignificant impact on environmental accounting disclosure (CEAD). This means that there is significant association between PTY and CEAD and that PTY is a good determining factor of CEAD of Listed consumer goods Firms in Nigeria. Hence, it is concluded that firms with relatively higher profitability may likely engage in CEA disclosures as portrays by the coefficient of PTY in the regression results.

Second, Firm Size has positive and insignificant effect on CEAD of Listed consumer goods Firms in Nigeria. This is an indication of insignificant association between Firm Size and CEA disclosure. Therefore, it is concluded that firm size has no significant influence in determining the level of CEAD of Listed consumer goods Firms in Nigeria.

Thirdly, the study found a negative and insignificant association between foreign ownership and the CEAD of Listed consumer goods firms in Nigeria. This signifies that there is negative insignificant relationship between foreign ownership and CEAD and concluded that foreign ownership is not a good determinant of CEAD of Listed consumer goods Firms in Nigeria. Indeed, firms with higher or lower proportion of foreign shareholding may not necessarily be committed to CEAD as represent by the regression result of direct relationship of the study.

Fourthly, return on assets (PTY) with interaction of foreign ownership has positive insignificant impact on environmental accounting disclosure (CEAD). This means that there is positive insignificant association between the PTY and CEAD with moderating effect of foreign ownership. Therefore, moderating effect of foreign ownership has no influence between PTY and CEA disclosures of listed consumer goods Firms in Nigeria. Thus, it is concluded that firms with higher or lower profitability potentials may likely not engage in CEAD as portrays by the beta coefficient of PTY in the regression results.

Lastly, the interaction of foreign ownership on the relationship between Firm Size and CEAD, have statistical positive and significant effect on listed

consumer goods Firms in Nigeria. This is an indication of significant association between Firm Size and CEA disclosure with interaction. Therefore, it is concluded that firm size has positive significant influence in determining the level of CEAD of listed consumer goods Firms in Nigeria.

The management of listed consumer goods Firms in Nigeria should strive to increase profit to a higher level, monitor and protect the profit by acquiring more assets and investing more to the immediate environment they operate. This is in line with the fact that return on assets has been empirically found to be a positive and significant factor that determines CEA disclosures in the listed consumer goods Firms in Nigeria.

The study limited itself to listed consumer goods Firms in the Nigerian Stock Exchange. Thus, suggested that further studies with respect to determinants of corporate environmental accounting disclosures should be conducted in other sectors such as Pharmaceutical Firms, Manufacturing Companies, Conglomerates, Industrial Goods, Food and Beverages Firms or even conduct a multi-industry study of selected listed firms in the Nigerian Stock Exchange, as this will no doubt in assisting them to documents more generalized findings and recommendations.

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