

## **Determinants of Going Concern in the Banking Sector: Evidence from Ghana and Nigeria**

### **Abstract**

Going concern of entity is of much concern to stakeholders, especially investors of financial institutions since the failure of financial institutions affects a wide range of sectors. The study sought to develop a model to predict going concern of financial institutions. The data were collected from the financial statements of selected banks in Ghana and Nigeria. The binary logistic regression model was employed as the data analysis technique. The model used financial ratios as predictors of going concern. The result revealed that working capital and earnings before interest and tax on total assets are crucial financial predictors for going concern in financial institutions. The implication is that management should maintain adequate working capital and improve upon its earning capacity to sustain the operations of financial institutions.