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BOARD ATTRIBUTES AND THE LIKELIHOOD OF FINANCIAL STATEMENT FRAUD IN QUOTED FIRMS IN NIGERIA

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ABSTRACT

The study examined the relationship between board attributes and the likelihood of financial statement fraud. The study employed the ex-post facto research design. The study utilizes nineteen (19) listed Food and Beverage companies quoted on the floor of the Nigerian Stock Exchange (NSE). The secondary data were extracted from the annual reports of the selected firm for the period 2012-2018. The usual battery of regression assumption tests were effected to ensure the accuracy of the regression model. The findings of the study reveals that the impacts of board size, board independence, board diversity and board remuneration on financial statement fraud detection are negative which implies that changes in board size, board independence, board diversity and board remuneration will reduce the odds of financial statement fraud detection. The study recommends for the managerial remuneration to be looked into within a broader picture of corporate mechanism to curtail fraud occurrence. The corporate boards should look into the gender mix more critically. The study also, recommends the need for effective corporate governance monitoring across the firm.

KEYWORDS: Beneish M-Score, Fraud, Likelihood, Financial Statement

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