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**THE ASSOCIATION BETWEEN CORPORATE ATTRIBUTES  
AND QUALITY OF FINANCIAL REPORTING IN THE LISTED  
COMPANIES IN SRI LANKA**



**NADEESHA CHAMALEE ADIKARI**



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## ABSTRACT

Published accounting information in financial statements are required to provide various users (shareholders, employees, suppliers, creditors, financial analysts, stockbrokers and government agencies) with timely and reliable information useful for making prudent, effective and efficient decisions. The widespread failure in the financial information quality has created the need to improve the financial information quality and to strengthen the control of managers by setting up good firms structures. The purpose of this study is to identify the association between corporate attributes and quality of financial reporting in listed companies in CSE of Sri Lanka. Out of the 295 listed companies in CSE, 167 companies were selected for this research. Annual reports were used to collect the data and Statistical Package for Social Science (SPSS 19.0) was used to present, analyze and evaluate data. Multiple regression, Simple regression and correlation analyses are used to explore the association between corporate attributes and quality of financial reporting. The positive relationship reveals the firm size, profitability, leverage and firm age with quality of financial reporting. The negative relationship reveals liquidity with financial reporting quality. In addition, the firm size and profitability of listed firms have impacted significantly on their financial reporting quality. Leverage, liquidity and firm age have impacted insignificantly on their financial reporting quality. The study supports the fact that corporate attributes is relevant in determining the quality of financial reporting for the listed companies in Colombo Stock Exchange.

Keywords: Corporate attributes, financial reporting quality, Colombo Stock Exchange

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