

BOARD CHARACTERISTICS AND IAS 12 (INCOME TAX DISCLOSURE) OF LISTED CONSUMER GOODS COMPANIES IN NIGERIA

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ABSTRACT

This study examined board characteristics and IAS 12 (income tax disclosure) of listed consumer goods firms in Nigeria. The research used an ex-post facto design. Ex-post facto research design was employed, while ten (10) consumer goods companies have been selected as the sample size of the study using the judgmental sampling technique. Between 2015 and 2024, data for this consumer goods company was collected. Analysis and hypothesis testing were achieved through descriptive statistic and correlation analysis and multiple regression analysis using e-views 9 application software. The study shows that board size does not significantly influence the income tax disclosure of quoted consumer goods companies in Nigeria. At 5% statistical significance, the study rejected the earlier mention null hypothesis and concludes that board independence impact income tax disclosure among listed consumer goods firms in Nigeria. The study showed that the presence of financial expertise on the board does not significantly impact the income tax disclosure of consumer goods firms listed in Nigeria. It is important to have ideally sized board. When an ideal board size is maintained, there will be a significant impact on disclosure of accounting policies. Other than suitably sized board, board independence is also an important matter. The independence shall not be downplayed in the setting up of board members in the organization. Their effect could be impactful. It is also important to set min standard for qualification criteria for board financial expertise.

Keywords: Board characteristics, Board financial expertise, Board independence, Board size, and Income Tax

1. INTRODUCTION

Background of the Study

Tax accounting and financial accounting are intricately related topics with many dimensions. This is an area that is very dynamic. Changes at the worldwide level in financial accounting reporting is one explanation for this. One thing that has changed is that all companies whose securities are listed (on the official list of a Stock Exchange) are required to prepare their consolidated accounts in accordance with the currently required IFRS / IAS. Globally, countries are adopting IFRS / IAS (Edeigba, 2022).

Corporations are expected to prepare reports demonstrating the overall financial soundness within a given frame. Despite being obligated to disclose certain information, some firms purposely do activities that prevent total disclosure. When they can't get away with it, they like to disclose as little information as possible. The theory of agency explains that managers reveal information mainly to lower the monitoring costs imposed on them by the shareholders. Moreover, companies that have a heavy debt burden tend to disclose information to creditors (payables) about protecting their common interest (Madawaki, 2022).

According to the work of Nimer et al (2024), disclosing information can be a signal for customers and the public. Clear disclosures are generally regarded as beneficial. They can improve the value of companies, decrease the cost of capital, and indicate financial soundness. Keeping certain information under wraps can make things costlier and unprofitable.

The IASB known to be an independent body based in the UK issues the IFRS also known as the IAS. Countries adopting IFRS seek to achieve more consistent, reliable and comparable financial statements. IAS (International Accounting Standards) improve accountability and transparency in financial reporting systems so that the financial statement is credible and acceptable (Ocansey & Enahoro, 2024).

Madawaki (2022) was of the opinion that the main focus of IAS was to provide needed information to various interested parties. Companies carefully control the type of information they disclose with the intention of ensuring effective management of cost benefit disclosure and as well building investor's confidence over time. Transparency does more than lower costs of capital it improves reputation, along with trust and relationships with shareholders. But they do not want to disclose sensitive information that will help competitors achieve success (Nimer et al., 2024).

According to Maaloul et al (2023), it is necessary for all organizations to provide useful information; however, excessive information should not be disclosed to the public as it can harm the competitive position of the organisation. According to Itiveh, et al. (2025), there are three reasons why the disclosure may not have the desired consequences and these are uncertainty, differing objectives of multiple agents, and conflict of interest information asymmetry. If firms disclose too much, the total amount of market knowledge will decrease. According to Dekker and Kriek (2024), the former endorses market discipline and the effective allocation of global resources, while the latter jeopardizes market discipline by suggesting that there may be adverse outcomes as a result of disclosure.

IFRS-based tax accounting is in contrast to SAS which follows an income statement adjustment approach instead of the balance sheet liability approach (Yeşil, 2024). Because accounting for deferred tax assets and liabilities can become complicated, many parties do not agree. Firstly, the tax policy impacts the return to investors. The standards provide recognition requirements for current and deferred tax liabilities, which help the companies comply with the tax regulations where

they operate (Aboukhadeer et al., 2023). With this background, the study set out to examine the effect of board characteristics on income tax disclosure of listed consumer goods companies in Nigeria.

Statement of the Problem

Various stakeholders have inquired as to whether income taxes to accounting standards lead to any unintended consequences regarding board attributes like board size, independence and diversity. A number of studies have been conducted on IFRS, tax measures and financial reporting particularly IAS 12. Some of these studies include studies conducted by Steuer and Tröger (2022); Edeigba (2022); Napier and Stadler (2020). These authors also highlight how income tax is significantly affected by firms' board attributes. Some of the studies found that board attributes have considerable influence on income tax disclosers, while some found no significant influence. Examining board size looks at whether an increase in directors leads to better diversity or decision-making deliberation hindered by situation complexity. Board independence looks into whether having a board whose majority is independent leads to greater oversight and more transparent tax disclosure. It also examines whether board financial literacy lowers the chances of misleading or incomplete information being included in income tax returns. All in all, these issues explore board size, independence, accounting and financial expertise and their influence on income tax disclosure practices in consumer goods companies listed in Nigeria. Gauging their influence is key to assessing the effectiveness of the management of governance mechanisms for decision making and the associated economic consequences. The processing impact of these understanding would facilitate the analysis of the financial disclosure and the compliance of IAS 12 disclosure requirements. The following constitutes the objectives this study aims to achieve:

- i. To establish how board size affects income tax disclosure of listed consumer goods companies in Nigeria.
- ii. To identify the influence of board independence on income tax disclosure of listed consumer goods companies in Nigeria.
- iii. To examine the extent to which board financial expertise affects income tax disclosure of listed consumer goods companies in Nigeria.

2. LITERATURE REVIEW

Conceptual Review

IAS 12 (Income Tax Disclosure)

Income Tax Disclosure requires accounting for taxes on income and transactions with benefits under IAS 12. It is an accounting standard issued and prepared by IASB which controls the assignment of taxes. All transactions and other events recorded in financial statements must be accounted for in compliance with IAS 12 for both present and future tax implications. Income tax disclosure is the yearly reporting of information about an entity's uncertainties, income tax expenses, deferred tax assets, current tax and liabilities (IASB, 2018).

The crucial elements of IAS 12 on income tax declaration. First, the entities must report the current tax cost or income. Current tax involves the amount of income tax due or recoverable for the current period. adjusted for any tax credits or other incentives, the period's taxable earnings. Deferred tax assets and deferred tax liabilities resulting from short-term discrepancies in carrying values of assets and liabilities used for financial reporting must also be disclosed in an entity's financial statements.

Furthermore, the standards necessitate for an evaluation of the deferred taxes of the asset and liability as it would provide a benefit to the entity. The benefit would involve identifying that there would be no benefit in unlikely to pay tax on accumulated losses and unused tax credit. As a whole, the objective of IAS 12 income tax disclosure is to provide users of the financial statement with information about the income tax position of an entity (Zango, 2017). Accordingly, the understanding of the dependent variable (IAS 12), is understood as the knowledge of board personnel regarding all the requirements and principles of the IAS 12 on income tax disclosure. Mastery of the provisions of the standard, such as recognition, measurement and presentation of income taxes in financials, as well as ability to apply them in practice (Zango, 2017).

The compliance attitude comprises the board that mean disposition, and approach towards IAS 12 and its compliance. The board gives a lot of weight to different tax disclosure under the IAS 12. Furthermore, IAS 12's differential tax declaration is beneficial since it is a tax asset recorded to the extent that taxable profit is expected to be available to offset the temporary deductible difference. The board is approving with useful and helpful information (Graham, 2023).

According to Edeigba (2022) IAS 12 is the standard that relates to the extent to which consumer goods companies in Nigeria are able implement and comply with the income tax disclosure requirement of IAS 12. It covers the completeness, accuracy and transparency of income tax disclosures in financial statements and is consistent with the requirements of the standard. This standard will be applied in the practical implementation of IAS 12 in respect of selected consumer goods companies, Nigeria.

Board Characteristics

Governance of a company is performed by its Board of directors who create company policies. Additionally, the directors must possess the knowledge and abilities necessary to guarantee that the organization does not disadvantage the interests of owners or other users (FRC, 2018). Directors are required to make sure that financial statements accurately depict the company's financial situation and adhere to all applicable accounting regulations (CAMA, 2004).

The mere appointment of board members does not guarantee that the corporate reporting responsibility is performed in accordance with the IFRS requirement. However, the attributes of such board members may indicate their performance regarding corporate reporting responsibility (Feng, 2024). The individual characteristics of the board members influence the level of compliance with IFRS. It is therefore mandatory for all public companies to have a board. Some private firms also have a board of directors. The study focused on board size, board independence, and board financial expertise and how they impact the income tax (IAS 12) disclosure of listed consumer goods companies in Nigeria.

Board Size

The sum total of all members on a company's board can be referred to as board size. It is believed that the concept has followed early business administration as a result of this. The first aspect to look at is the size structure of the board (Coles et al., 2022). The bigger the board grows, the more members it has and the more diverse types of people joining it. As a result, this affects the choices made in the end and also how much advice the company needs from them. When the experts are part of the decision process, it enhances the quality of decisions and incites discussion and more realistic decisions instead of just subjective decisions (Farag et al., 2018).

Board Independence

The Anglo-American setting was where board independence as a concept was largely drawn from with ownership dispersion. Since the 1960s boards with more outside than internal directors have been gaining popularity in the U.S.A. Thus, the overall conception of Board independence intends to mean a director's exercise of his technical management skills as well as independent judgement (Kioko, 2020).

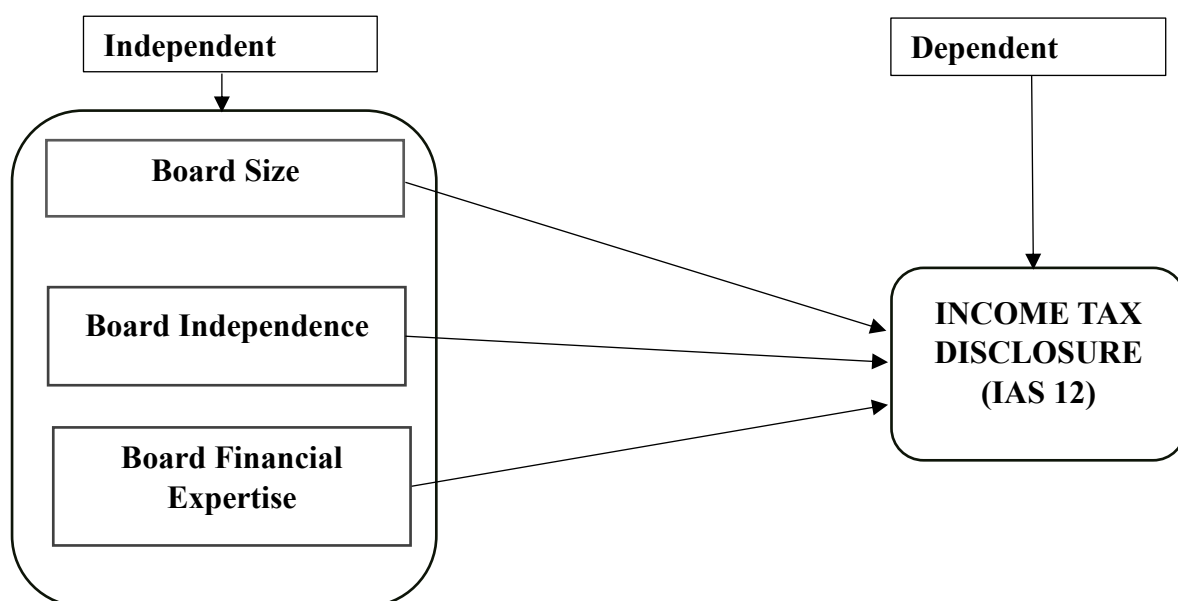
For this purpose, directors are expected to be independent. Also, they cannot be appointed by the parents' companies or subsidiaries as managers for a 3-year period commencing from the date of their separation from such positions. According to Reck et al. (2022), taking breaks from work to engage in leisure activities not only rejuvenates professional passion but can also increase productivity. It can also boost workplace reputation, professional network, professional skills, knowledge and exposure (Reck et al., 2022).

Board Financial Expertise

Boards with extensive knowledge of financial accounting and other related accounting skills will help to carry out their work effectively. The knowledge possessed by the members of financial expertise is the one of the most important boards' characteristics which has significant implications on income tax disclosure in financial report of the company. Accounting researchers have made arguments in support of the claim that board financial reporting expertise enhances financial reporting quality. Expertise/qualifications or experience acquired by a person before he or she becomes a member of a board of directors of a company includes (Steuer & Tröger, 2022).

The board members are required to have the relevant qualifications or work experience in accounting or finance. In particular, they are expected to have expertise in financial reporting. In this regard, Akogo and Imonitie (2021) argue that chief executive officer with financial expertise will be more interested in accounting and auditing departments, and thus, give them more monitoring. Because of improved monitoring, they will quickly and easily notice any irregularities caused by others and therefore be positioned to correct them. According to Campbell et al. (2023), accounting literature has limited understanding of when and how much financial expertise matters for financial reporting outcome.

Figure 1 Conceptual Model



Researchers (2026)

Theoretical Framework

Agency Theory

Jensen and Meckling introduced Agency Theory in 1976 which states that the owners pay the managers of the company to do this function rather than doing it themselves (Ujunwa et al., 2022). According to Fama and Jensen, the board of directors is one mechanism through which managers are monitored and controlled. Board of directors play important role in establishing managerial policies of companies. It resolves the agency conflict between owners and managers (Dang et al., 2019).

Ability to Pay Theory

Smith and Pigou, in 1903, framed the theory of taxation. Tax according to the ability of the taxpayer to pay a tax. Taxpayers refer to companies or individuals with excess capacity to pay tax thus expected to pay more. The capacity to pay tax should be based on the income, wealth or resources of taxpayers. According to the capacity-to-pay principle, the tax burden will be distributed following egalitarian and utilitarian ideals. A tax equity is created which ensures equal sacrifice in terms of justice.

Empirical Review

Itiveh et al. (2025) investigate management perception on IAS 12 income tax disclosure applicability in private firms in Delta State, Nigeria. The research utilized descriptive survey design. The study's sample comprised 212 respondents to whom self-structured questionnaires were administered. The data gathered were analyzed using the descriptive analysis for the response rate of the respondents while the multiple regression was carried out to test the hypotheses formulated. The findings show a positive impact, indicating a significant relationship between management personnel's knowledge of IAS 12 and its applicability. Thus, the better the knowledge of the provisions of IAS 12, the more compliant the disclosure of income tax. Further, the impact of management attitude towards compliance on the applicability of IAS 12 shows that compliance culture is important. On the other hand, the perceived complexity has negatively impacted the application of IAS 12, thus making the complex tax figures and disclosures not apply IAS 12 fully.

Edeigba (2022) examines board attributes and tax planning of listed consumer goods companies in an African country with focus on the Nigerian stock-market. It is likely that the board of directors will establish tax planning measures to minimize its tax liabilities to tax authorities for the purpose of maximizing shareholders wealth and prevent frauds. Nonetheless, it shouldn't imply avoiding taxes. Research focuses on how qualities of board influence tax strategies of publicly listed Nigerian consumer goods companies. Ex-post facto design was employed. Eleven (11) year period was covered from 2011-2021. Secondary data was sourced from the annual reports and accounts of companies under study. Multiple regression was employed to analyze the collected data. It was found that both the diversity of gender on boards and board independence positively and significantly influence the income tax of Nigerian consumer goods corporations.

Ogbodo et al. (2017) examined the recognition and measurement of deferred tax under IAS 12 and Nigerian-SAS in Nigerian manufacturing firms. This study's research design was survey design. The study's sample selection consists of fifteen manufacturing firms in Nigeria. The study utilized the data acquired for the annual financial statements of the company. The differences in participants' responses were analyzed through the t-test. Further, the relationship of dependent variables with independent factors was assessed through linear regression analysis. The analysis was carried out with the use of SPSS v.23. It was found that the tax liabilities, deferred tax assets and current taxes have been changed. It was also found that the deferred tax of manufacturing firms in Nigeria under IFRS has a significant positive relationship with Nigeria SAS.

The study of Virgil et al. (2016) on IFRS/IAS adoption and corporate income tax in Ghana. The nature of the research design was cross-sectional and quantitative. Due to the fact that they utilized it for more than five years, all agencies on the Ghana Stock Exchange formed used the Ghana National Accounting System (GNAS) to obtain better data. It took into account all firms which did not de-list nor have problems with the Bank of Ghana. In addition, the analysis excluded companies within free zones. The introduction of IFRS/IAS led to a few extra listed companies which also pay less tax, while a bulk of it pays broadly the same. The paired sample t-test on the amount of tax reported on GNAS and IFRS indicates no difference exists in the computed amount of GNAS and IFRS. As much as 90.1% of observed firms didn't change in respect of current tax asset. The manufacturing/trading sector's current year tax expense burden had a 13% uptick, while that of financial/insurance/information technology sector fell 13.3%, as per tax by sector financial analysis in Ghana.

3. METHODOLOGY

The study adopted ex-post facto research design. The reason is that there is a condition or a state of affairs that is being looked at for plausible contributing reasons back in time. The population is composed of 21 listed consumer goods firms in Nigeria as of 31st December 2024. The purposive sampling method was utilized by the research to select 10 listed consumer goods firms as the sample size of the study. The chosen businesses include: Nestle Nig. Cadbury Nig. Plc. Plc, Guinness Nig. PLC, FlourMills of Nigeria PZ Cussons Nigeria Plc. Nascon Nigeria Plc. Unilever Nig Plc. Honeywell Nigeria Plc Nigerian Breweries Plc., and Dangote Sugar Refineries Plc. These companies were selected as they were among the top-ten leading listed consumer goods companies in terms of revenue generation, as revealed by Manufacturers' Association of Nigeria (MAN) in 2024. Data contained in the audited financial statements of the firms under study was extracted and analysed from 2015-2024. Correlation and regression analysis, as well as descriptive statistics were employed to analyze the data. To assess the relationship between the dependent and independent variables, the study develops the following model as adopted from Nwarogu et al. (2019):

$$INT = f(BS, BI, BFE) \dots\dots\dots i$$

$$INT = \beta_0 + \beta_1 BS + \beta_2 BI + \beta_3 BFE + \varepsilon \dots\dots\dots ii$$

Where:

INT = Income Tax Disclosure (Dependent variable)

BS = Board Size (Independent variable)

BI = Board Independence (Independent variable)

BFE = Board Financial Expertise (Independent variable)

β_0 = Intercept

$\beta_1 - \beta_3$ = Coefficient of regression

ε = Error term

4. RESULTS

The analysis to evaluate board characteristics and income tax disclosure is presented in this section. Descriptive, correlation, and regression analyses were conducted, and a variety of robustness checks were discussed, in order to improve the validity of the findings.

Presentation of Results

Table 1. Descriptive Results

	INT	BS	BI	BFE
Mean	0.059840	1.019061	0.623800	0.177879
Median	0.042073	1.041393	0.636364	0.181818
Maximum	0.264935	1.230449	0.928571	0.428571
Minimum	-0.100308	0.778151	0.307692	0.000000
Std. Dev.	0.071979	0.111972	0.143609	0.089944
Skewness	0.759341	-0.235485	-0.144414	-0.064266
Kurtosis	3.410009	2.397300	2.471570	2.378833
Jarque-Bera	10.20732	2.437747	1.511086	1.676540
Probability	0.006074	0.295563	0.469755	0.432458
Sum	5.924153	101.9061	62.37999	17.78792
Sum Sq. Dev.	0.507735	1.241227	2.041734	0.800894
Observations	100	100	100	100

Source: Computation from E-Views 9 Output, 2026.

The table above contains the variables' descriptive statistics. The table shows that the average values for the dependent and independent variables are, in the order of INT, BS, BI, and BFE, 0.059840, 1.019061, 0.623800, and 0.177879. The variables have maximum values of 0.264935, 1.230449, 0.928571, and 0.428571, in that order. Conversely, the variables' lowest values are -0.100308, 0.778151, 0.307692, and 0.000000, in that order. The data gathered on BS, BI, and BFE, on the other hand, are normally distributed as their corresponding probability values are more than 0.05 significant level, leading the research to infer that INT data are not normally distributed due to its probability value (p-value) being less than 0.05 significant level.

Table 2. Correlation Analysis

	INT	BS	BI	BFE
INT	1.000000			
BS	-0.309756	1.000000		
BI	-0.048483	-0.012648	1.000000	
BFE	-0.017073	-0.447690	0.042398	1.000000

Source: Computation from E-Views 9 Output, 2026.

The correlation results between the adopted variables, INT, BS, BI, and BFE are shown in table 2. The correlation coefficient for BS has a moderate negative association with INT, while that of BI and BFE revealed weak negative connection with the dependent variable, INT, with values of -0.309756, -0.048483, and -0.017073, respectively.

Table 3. Multiple Linear Regression Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.105114	0.090534	1.161042	0.2488
BS	0.070283	0.083065	0.846119	0.3998
BI	-0.193199	0.055863	-3.458442	0.0008
BFE	0.020686	0.097797	0.211517	0.8330
R-squared	0.669314	Mean dependent var		0.059840
Adjusted R-squared	0.623172	S.D. dependent var		0.071979
S.E. of regression	0.044185	Akaike info criterion		-3.278998
Sum squared resid	0.167901	Schwarz criterion		-2.938225

Log likelihood	175.3104	Hannan-Quinn criter.	-3.141120
F-statistic	14.50546	Durbin-Watson stat	1.521910
Prob(F-statistic)	0.000000		

Source: Computation from E-Views 9 Output, 2026.

The model mentioned earlier can be portrayed in the following manner:

$$\text{INT} = 0.105114 + 0.070283\text{BS} - 0.193199\text{BI} + 0.020686\text{BFE}$$

The dependent variable (INT) is positively affected by the independent variables (BS and BFE) and negatively affected by BI, as revealed from the preceding equation. This also indicates that the INT of the chosen businesses will grow by 0.070283 and 0.020686, respectively, if BS and BFE of the chosen companies increase by one unit each, but an increase in BI would cause the firm's INT to decline by 0.193199. Additionally, the t-test results for the independent variables for BS, BI, and BFE were displayed as 0.846119, -3.458442, and 0.211517, respectively. Whereas BS and BFE's t-cal values are less than 2, BI's is more than the t-tab of 2. The relevant probability values (p-values) for the variables are displayed as follows: 0.3998, 0.0008, and 0.8330 respectively. Given that the BI probability value is smaller than the 0.05 significant threshold, it may be considered as statistically significant. In contrast, the BS and BFE probability values can be read as statistically insignificant because their p-values are more than the 0.05 significant level.

Furthermore, based on the aforementioned table, the R-squared statistic displays a value of 0.669314. This indicates that the independent variables (BS, BI, and BFE) account for only 66.93% of the total variation in INT, with the remaining 33.07% being explained by variables that were not included in the study. Given that the p-value is less than 5% significant threshold, the model developed is statistically significant, as indicated by the F-Statistic of 14.50546 with a probability value of 0.000000. However, the Durbin-Watson statistic result showed a value of 1.521910, which may be taken as absence of auto-correlation because the number falls within 1.5 and 2.5.

Test of Hypotheses

HO1: Board size does not exert significant influence on income tax disclosure of listed consumer goods companies in Nigeria

The regression table shows that the p-value of board size (BS) is 0.3998 which is greater than 0.05 significant level, and was deemed as statistically not significant. Because of this, the study is unable to reject the aforementioned null hypothesis and so agrees that board size does not exert significant influence on income tax disclosure of listed consumer goods companies in Nigeria.

HO2: Board independence has no significant effect on income tax of disclosure listed consumer goods companies in Nigeria

The regression table previously shown revealed the p-value of 0.0008 for board independence (BI). This value was considered statistically significant because it falls below the 0.05 significant level. Hence, the second null hypothesis is rejected, while the study reiterates that board independence has significant effect on income tax disclosure of listed consumer goods companies in Nigeria, thereby failing to accept the second null hypothesis that was previously stated.

HO3: Board financial expertise does not have significant influence on income tax disclosure listed consumer goods companies in Nigeria

The correlation table shows that board financial expertise (BFE) has a p-value of 0.8330 which was considered as statistically not significant. As a result, the study fails to reject the third null hypothesis and therefore concurs that board financial expertise does not have significant influence on income tax disclosure listed consumer goods companies in Nigeria.

Discussion of Results

The main aim of the research is to assess the impact of board characteristics on income tax disclosure of consumer goods firms in Nigeria. The metrics for measuring board characteristics for the purpose of this study, however, board size, board independence, and board financial expertise. Tax expense was used to measure income tax disclosure. Certain outcomes from earlier studies align with the results obtained in the study at hand. However, other results present some conflicting results with the outcome of the study done at hand. So far that has been said.

The study results showed that the board size does not have a significant effect on income tax disclosure of listed consumer goods companies in Nigeria. The finding is in agreement with the studies done by Babayo and Shatima (2024), El-Maude, Bawa and Shamaki (2020), Dioha, Mohammed and Okpanachi (2020).

Using 5% level of statistical significance, the study does not accept the earlier stated null hypothesis and reiterates that board independence is relevant to income tax disclosure of listed consumer goods companies in Nigeria. The result agrees with the work of Filip, Vesna and Kiril (2020), Eluyela et al. (2018), Ojeka et al. (2015) and Dioha, Mohammed and Okpanachi (2020). However, the findings of the present study are not related to those of (Itiveh, Biaghan & Jeroh, 2025). Furthermore, income tax disclosure of listed consumer goods companies in Nigeria was found to be insignificantly affected by the financial expertise of the board, according to the study. This finding is in agreement with the findings of Egbunike and Okoye (2017)

5. CONCLUSION AND RECOMMENDATIONS

Conclusion

The board size probability has p-value is 0.3998, which is statistically not significant because it has p-value higher than 0.05 significant level, according to the results of the findings. The study, therefore, concludes that board size is not a reliable determinant of income tax disclosure of listed consumer goods companies in Nigeria.

Furthermore, the outcome with regard to board independence as a measure of board attributes produced a probability value of 0.0008. It was considered statistically significant because it is below the 5% significance level. The study finds that stakeholders of these consumer goods companies can rely on board independence when using income tax disclosure of selected listed consumer goods companies in Nigeria.

Finally, board financial expertise has a p-value (0.8330) higher than 0.05 significant level, the value of is statistically not significant. The research finds that financial expertise of the board does not significantly impact income tax disclosure of selected listed consumer goods companies in Nigeria.

Recommendations

As a result of the research findings and conclusion, it is recommended that:

An accurate and sufficient board size must be maintained to enhance an ideal impact on income tax disclosure in listed consumer goods firms' financial statements. Nigerian consumer goods firms should assess the needs of its particular governance structure with reference to board size and industry to determine the optimum board size that enhances decision making and income tax compliance. Listed consumer goods companies not allow an over-dependency on board size as a parameter to influence income tax disclosure.

The independence of board members is an important issue that should not be ignored during the installation process, as their influence can have a serious impact on income tax disclosure as revealed from the study's findings.

Listed consumer goods firms should shift their attention away from setting a benchmark regarding minimum qualification criteria for financial expert of board. Establishing a minimum level of professional competence required of all board members has no significant influence on income tax disclosure as revealed by the study's findings.

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