

ABSTRACT

Financial restatement is a critical indicator of weak financial reporting quality, which can significantly impact corporate reputation and investor trust. This study aims to provide a systematic review of the literature discussing the determinants, consequences, and detection and prevention mechanisms of financial restatement. Employing a Systematic Literature Review (SLR) approach, a total of 67 academic articles from the Scopus database published between 2015 and 2025. The findings reveal that most studies focus on the consequences of restatements, followed by determinants and detection methods. Internal factors such as management and audit committee characteristics, as well as external factors like regulatory pressure and market conditions, were found to contribute to restatements. Technological approaches, including machine learning and big data analytics, are increasingly utilized for detection and prevention. This study offers a comprehensive synthesis that can serve as a foundation for theoretical development and policy formulation to enhance financial reporting quality in the future.

Keywords: *financial restatement, determinants, consequences, detection, prevention, systematic literature review*